

**LITE DEPALMA GREENBERG & AFANADOR, LLC**

Allen J. Underwood II, Esq.

570 Broad Street, Suite 1201

Newark, New Jersey 07102

Tel: (973) 623-3000

aunderwood@litedepalma.com

*Counsel to Certain Canadian Municipal Creditors*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

----- x -----  
**In re:** : Chapter 11  
: Case No. 19-23649 (RDD)  
**PURDUE PHARMA L.P., et al.,** : (Jointly Administered)  
**Debtors.** :  
: ----- x -----

**NOTICE OF APPEAL AND STATEMENT OF ELECTION**

**Part 1: Identify the appellant(s):**

1. The City of Grande Prairie as Representative Plaintiff for a Class Consisting of All Canadian Municipalities, the Cities of Brantford, Grand Prairie, Lethbridge, and Wetaskiwin.

**Part 2: Identify the subject of this appeal**

2. This appeal is from the Decision of Judge Drain (the “Decision”) confirming the Debtors’ Eleventh Amended Joint Chapter 11 Plan of Reorganization (the “Plan”).

3. The Decision was rendered on September 1, 2021. A copy of the transcript of the Decision is attached herewith.

**Part 3: Identify the other parties to the appeal**

4. The names of all other parties to the Decision, and the names, addresses and telephone numbers of their respective attorneys, are as follows:

<b><u>Party</u></b>	<b><u>Attorney</u></b>
1. Purdue Pharma L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000

- |   |  |
|---|--|
| 2. Purdue Pharma Inc.                   | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 3. Purdue Transdermal Technologies L.P. | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 4. Purdue Pharma Manufacturing L.P.     | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 5. Purdue Pharmaceuticals L.P.          | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 6. Imbrium Therapeutics L.P.            | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 7. Adlon Therapeutics L.P.              | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 8. Greenfield BioVentures L.P.          | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 9. Seven Seas Hill Corp.                | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 10. Ophir Green Corp.                   | Davis Polk & Wardwell LLP<br>450 Lexington Avenue<br>New York, NY 10017<br>Tel: (212) 450-4000 |
| 11. Purdue Pharma of Puerto Rico        | Davis Polk & Wardwell LLP<br>450 Lexington Avenue  |

		New York, NY 10017 Tel: (212) 450-4000
12.	Avrio Health L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
13.	Purdue Pharmaceutical Products L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
14.	Purdue Neuroscience Company	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
15.	Nyatt Cove Lifescience Inc.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
16.	Button Land L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
17.	Rhodes Associates L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
18.	Paul Land Inc.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
19.	Quidnick Land L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000
20.	Rhodes Pharmaceuticals L.P.	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, NY 10017 Tel: (212) 450-4000

21. Rhodes Technologies

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, NY 10017  
Tel: (212) 450-4000

22. UDF LP

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, NY 10017  
Tel: (212) 450-4000

23. SVC Pharma LP

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, NY 10017  
Tel: (212) 450-4000

24. SVC Pharma Inc.

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, NY 10017  
Tel: (212) 450-4000

**Part 4: Optional election to have appeal heard by District Court**

5. Appellant elects to have the appeal heard by the United States District Court rather than the Bankruptcy Appellate Panel.

**Part 5: Sign below**

Dated: September 15, 2021  
Newark, New Jersey

Respectfully submitted,

Lite DePalma Greenberg & Afanador

By: /s/ Allen J. Underwood II  
Allen J. Underwood II

570 Broad Street, Suite 1201  
Newark, New Jersey 07102  
Tel: (973) 623-3000  
Fax: (973) 623-0858  
aunderwood@litedepalma.com

*Counsel to Certain Canadian Municipal Creditors*

**CERTIFICATE OF SERVICE**

I, Allen J. Underwood, hereby certify that, on September 15, 2021, I caused true and correct copies of the foregoing document to be served (i) by the Court's Case Management/Electronic Case File(CM/ECF) System to all parties who are deemed to have consented to electronic service; (ii) by email upon the parties who provided email addresses set forth in the Master Service List maintained by the Debtors in respect of these chapter 11 cases; and (iii) by email upon the Office of the United States Trustee for the Southern District of New York (Attn: Paul K. Schwartzberg, paul.schwartzberg@usdoj.gov).

*/s/ Allen J. Underwood II*  
Allen J. Underwood II, Esq.

**TAB 1**

Page 1

1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 Case No. 19-23649-rdd

4 - - - - - x

5 In the Matter of:

6

7 PURDUE PHARMA L.P.,

8

9 Debtor.

10 - - - - - x

11 United States Bankruptcy Court

12 Tele/Video Proceedings

13 300 Quarropas Street, Room 248

14 White Plains, NY 10601

15

16 September 1, 2021

17 10:06 AM

18

19

20

21 B E F O R E :

22 HON ROBERT D. DRAIN

23 U.S. BANKRUPTCY JUDGE

24

25 ECRO: JUSTIN WALKER

Page 2

1       **HEARING re Bench Ruling at 10:00 AM at Videoconference**  
2       **(ZoomGov) (RDD)**.

3

4       **Statement / Notice of Change of Listen-Only Dial in for**  
5       **Hearing on Confirmation of Eleventh Amended Joint Chapter 11**  
6       **Plan of Reorganization of Purdue Pharma L.P. and**  
7       **its Affiliated Debtors**

8

9       **Notice of Agenda / [Updated] Third Amended Agenda for**  
10      **Confirmation Hearing**

11

12      **Notice of Agenda / Third Amended Agenda for Confirmation**  
13      **Hearing**

14

15

16

17

18

19

20

21

22

23

24

25      **Transcribed by: Sonya Ledanski Hyde**

Page 3

1 A P P E A R A N C E S :

2

3 DAVIS POLK WARDWELL LLP

4 Attorney for Debtors

5 450 Lexington Avenue

6 New York, NY 10017

7

8 BY: MARSHALL SCOTT HUEBNER (TELEPHONICALLY)

9 BENJAMIN S. KAMINETZKY (TELEPHONICALLY)

10

11 SULLIVAN WORCESTER LLP

12 Post-conflicts counsel for the Debtors

13 1633 Broadway

14 New York, NY 10019

15

16 BY: JEFFREY R. GLEIT (TELEPHONICALLY)

17

18 KLEINBERG, KAPLAN, WOLFF COHEN, P.C.

19 Attorney for State of Washington

20 500 Fifth Avenue

21 New York, NY 10110

22

23 BY: MATTHEW J. GOLD (TELEPHONICALLY)

24

25

Page 4

1 UNITED STATES DEPARTMENT OF JUSTICE  
2 Attorneys for the U.S. Trustee  
3 201 Varick Street, Suite 1006  
4 New York, NY 10014

5

6 BY: BEN HIGGINS (TELEPHONICALLY)

7

8 PILLSBURY WINTHROP SHAW PITTMAN LLP  
9 Attorneys for Ad Hoc Group of Non-Consenting States  
10 31 West 52nd Street  
11 New York, NY 10019

12

13 BY: ANDREW M. TROOP (TELEPHONICALLY)

14

15 ALSO PRESENT TELEPHONICALLY:

16 ROXANA ALEALI

17 ANDREW VINCENT ALFANO

18 PHILIP D. ANKER

19 MICHAEL ATINSON

20 MITCHELL JAY AUSLANDER

21 PRIYA BARANPURIA

22 DAVID E. BLABEY

23 LOUIS BOGRAD

24 SARA BRAUNER

25 GARY BRESSLER

1 DAVID BROWN  
2 GABE BRUNSWICK  
3 AARON R CAHN  
4 MARK CHALOS  
5 GERARD CICERO  
6 HAYDEN COLEMAN  
7 DANIEL CONNOLLY  
8 HAYDEN COLEMAN  
9 DYLAN CONS LA  
10 ABBY G. CUNNINGHAM  
11 MARIO D' ANGELO  
12 PETER C. D'APICE  
13 STACY DASARO  
14 JOSEPH G. DAVIS  
15 MARK DEARMAN  
16 CLINT DOCKEN  
17 JOHN C. DOUGHERTY  
18 JOHN DUBEL  
19 STEPHANIE EBERHARDT  
20 KENNETH H. ECKSTEIN  
21 BERNARD ARDAVAN ESKANDARI  
22 MATHEW FARRELL  
23 LAURA FEMINO  
24 ROBERT FINZI  
25 MATTHEW FITZSIMMONS

1       **HEATHER FRAZIER**  
2       **BRYCE L. FRIEDMAN**  
3       **KATHERINE N. GALLE**  
4       **CAROLINE GANGE**  
5       **GILL GELDREICH**  
6       **MELISSA GIBSON**  
7       **MAGALI GIDDENS**  
8       **SCOTT GILBERT**  
9       **MICHAEL GOLDSTEIN**  
10      **GEOFFREY S. GOODMAN**  
11      **ISLEY MARKMAN GOSTIN**  
12      **GARY GOTTO**  
13      **JARED T. GREEN**  
14      **JAMES S. GREEN, JR.**  
15      **DEBORAH GREENSPAN**  
16      **EMILY GRIM**  
17      **JOHN GUARD**  
18      **ADAM P. HABERKORN**  
19      **CATHERINE BEIDERMAN HEITZENRATER**  
20      **ANGELA K. HERRING**  
21      **MICHELE HIRSHMAN**  
22      **JENNA A. HUDSON**  
23      **TIMOTHY J. HURLEY**  
24      **MITCHELL HURLEY**  
25      **ELISA HYDER**

1     **LINDA IMES**  
2     **MARK S. INDELICATO**  
3     **SAMUEL ISSACHAROFF**  
4     **EVAN JONES**  
5     **EVAN M. JONES**  
6     **GREGORY JOSEPH**  
7     **ETHAN KAMINETZKY**  
8     **NICKOLAS KARAVOLAS**  
9     **NEIL FX KELLY**  
10    **KAREN KENNEDY**  
11    **MARC KESSELMAN**  
12    **DARREN S. KLEIN**  
13    **JEREMY C. KLEINMAN**  
14    **LAWRENCE KOTLER**  
15    **ANN KRAMER**  
16    **ALEXANDER LEES**  
17    **DANIEL LENNARD**  
18    **MARA LEVENTHAL**  
19    **DANIELLE J. LEVINE**  
20    **JEFFREY LIESENMER**  
21    **EDAN LISOVICZ**  
22    **JOHN LONGMIRE**  
23    **JOHN LOWNE**  
24    **ROBERT MACKENZIE**  
25    **KEVIN MACLAY**

1 ROBERT MARSTERS  
2 BRIAN S. MASUMOTO  
3 DOUGLAS KIRK MAYER  
4 JAMES I. MCCLAMMY  
5 LAURA MCCLOUD  
6 HUGH M. MCDONALD  
7 SHANNON M. MCNULTY  
8 MICHELE MEISES  
9 LIVY MEZEI  
10 NATHANIEL MILLER  
11 JONATHAN E. MITNICK  
12 DAVID MOLTON  
13 MAURA KATHLEEN MONAGHAN  
14 AMANDA MORALES  
15 ANDREW J. MUHA  
16 AISLING MURRAY  
17 EDWARD E. NEIGER  
18 NATHALIE E. NIEVES  
19 MICHAEL PATRICK O'NEIL  
20 THOMAS ROBINSON O'NEILL  
21 DAMIAN O'SULLIVAN  
22 RACHEL R. OBALDO  
23 JAMES FRANKLIN OZMENT  
24 JENNIFER PEACOCK  
25 MARK PLEVIN

1 STEPHEN POHL  
2 KATHERINE PORTER  
3 ARIK PREIS  
4 DOUGLASS PRESS  
5 NICHOLAS PREY  
6 MICHELE PULGGARI  
7 KAMI QUINN  
8 MARION QUIRK  
9 CHRISTINA RICARTE  
10 JOSEPH RICE  
11 RACHAEL RINGER  
12 CHRISTOPHER ROBERTSON  
13 JEFFREY J. ROSEN  
14 JORDAN ROSENBAUM  
15 PAUL S. ROTHSTEIN  
16 JASON RUBINSTEIN  
17 MEGAN PARIS RUNDLET  
18 WILLIAM T. RUSSELL  
19 JEREMEY RYAN  
20 JAMES SALWEN  
21 DANIEL JOSEPH SAVAL  
22 SETH SCHINFELD  
23 ELIZABETH SCHLECKER  
24 FREDERICK E. SCHMIDT  
25 MICHAEL SHEPHERD

1 RICHARD SHORE  
2 J. CHRISTOPHER SHORE  
3 RICHARD SILBERT  
4 LIANNA SIMMONDS  
5 PAUL SINGER  
6 PAUL M. SINGER  
7 MARC F. SKAPOF  
8 ARTEM SKOROSTENSKY  
9 D. RYAN SLAUGH  
10 JOSEPH SORKIN  
11 CLAUDIA Z. SPRINGER  
12 CATHERINE STEEGE  
13 HOWARD STEEL  
14 ERIC STODOLA  
15 ADAM SWINGLE  
16 JEROME TAPLEY  
17 PAMELA THURMOND  
18 MARC J. TOBAK  
19 SARA E. TONNESEN  
20 ALICE TSIER  
21 JOSEPH TURNER  
22 ALLEN J. UNDERWOOD  
23 MELISSA L. VAN ECK  
24 MICHAEL J. VENDITTO  
25 JOYCE M. VILLNAVE

1     **JONATHAN WAGNER**  
2     **RYAN A. WAGNER**  
3     **JORDAN A. WEBER**  
4     **WENDY WEINBERG**  
5     **SHIRA WEINER**  
6     **WILLIAM P. WEINTRAUB**  
7     **MARTIN WEIS**  
8     **MARTIN JAMES WEIS**  
9     **ALLISON H. WEISS**  
10    **THEODORE WELLS, JR.**  
11    **DANIEL WOLF**  
12    **LAUREN S. ZABEL**  
13    **DAVID ZYLBERBERG**  
14    **LAUREN DEL VALLE**  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

## P R O C E E D I N G S

2 THE COURT: Okay. Good morning. This is Judge  
3 Drain. We're here in In re Purdue Pharma, LP, et al. This  
4 morning's hearing was scheduled for me to give my bench  
5 ruling on the Debtors' request for confirmation of their  
6 amended Chapter 11 plan. I received a blacklined version of  
7 certain important but still relatively minor changes to the  
8 Debtors' tenth amended joint Chapter 11 plan yesterday which  
9 is now, in light of those changes, the eleventh amended  
10 joint Chapter 11 plan.

I also received a revised proposed confirmation  
order including proposed findings of fact and conclusions of  
law which is over 100 pages long. I have not gone through  
it in detail. My ruling will be detailed, and if I'm  
comfortable with the proposed findings and conclusions, I'll  
keep them. I may add to them. And my ruling will be part  
of the record as far as the proposed findings and  
conclusions are concerned.

19                   But I understand that the Debtors wanted to  
20                   address the Court briefly regarding the changes to the plan  
21                   and the resolution of at least one objection. And I'm happy  
22                   to hear that.

23 MR. HUEBNER: Thank you very much, Your Honor.  
24 Can you see and hear me clearly?

THE COURT: Yes.

1                   MR. HUEBNER: Okay. Your Honor, for the record,  
2 Marshall Huebner on behalf of the Debtors and Debtors In  
3 Possession. A couple of quick updates which I think are  
4 hopefully positive.

5                   Number one, you know, since the Court's direction  
6 at several of the hearings including both Wednesday and  
7 Friday, various documents have been amended in a way that we  
8 hope now comports with the Court's vision. The primary  
9 changes to the plan that we are not going to walk through  
10 unless the Court has questions are to finalize what I would  
11 call the material or maybe even radical narrowing of the  
12 Sackler releases, which is really on three different axes:

13                  Number one, which parties are covered and get the  
14 benefit of the releases and those changes I believe are now  
15 in;

16                  Number two, what is the scope of the releases.  
17 And, of course, the Court gave a clear direction that they  
18 should be limited very substantially as to scope compared to  
19 the original set of agreements reached and filed by the  
20 parties;

21                  And then, number three, I guess who is bound by  
22 the releases. This is the sort of "any other person to  
23 holders of claims and causes of action" to just "holders of  
24 claims." And I believe that hopefully we got it right after  
25 several tries and the Court's continuing clear interim

1       rulings or directions to narrow the releases.

2                     The second item, Your Honor, just for the benefit  
3       of everyone's knowledge is the operating injunction for  
4       NewCo. That is one of the many documents along with many  
5       other structures in the plan including a brand new board of  
6       directors and other things selected by governmental entities  
7       to ensure that NewCo does only the things that everybody  
8       would want it to be doing and doesn't do any of the things  
9       that people would not want it to be doing. And that's  
10      obviously I think part of the sacred mission of many of the  
11      parties who have worked on this case.

12                  That operating injunction was negotiated by the  
13       Department of Justice by the Ad Hoc Committee which of  
14       course includes a huge number of AGs, by the NCSG which  
15       includes all the rest of the AGs getting us up to 48, and  
16       the MSG, as well. That has now in fully-agreed form, and  
17       it's final and was filed as Exhibit C like Charlie to the  
18       confirmation order. That's a critically important document,  
19       frankly, as part of ensuring that on a go-forward basis, you  
20       know, everybody can hopefully take comfort in the credible  
21       involvement of governmental entities and, of course, the UCC  
22       as well who I, of course, need to mention as the official  
23       appointee of the Department of Justice to oversee and assist  
24       all unsecured creditors in the case.

25                  Next, Your Honor, also filed I believe yesterday

1 is the final Sackler settlement agreement which has been a  
2 very long time coming. Just so the record is clear, that  
3 document was negotiated by the Official Committee of  
4 Unsecured Creditors appointed by the Department of Justice,  
5 by the AHC, by the MDL PACA members who are part of the AD  
6 Hoc Committee which includes obviously several dozen  
7 attorneys general and, of course, lastly really by the  
8 Special Committee of Board which, of course, as everybody  
9 knows after an examination was likewise found to be  
10 fulfilling its fiduciary responsibilities with complete and  
11 total independence.

12 So that document is now done, as well. It  
13 contains very important things because this is a deal in  
14 which the Sacklers are paying over time and frankly  
15 something that sounds lawyerly and technical, which are the  
16 collateral and the credit support annexes frankly involve  
17 some of the most brutal negotiations that actually took  
18 months because all of the fiduciaries on our side of the V  
19 who represent the Plaintiffs in the case and, you know,  
20 frankly, the states and the cities and the victims and the  
21 like, you know, need to ensure that the Sacklers are going  
22 to pay.

23 And, obviously, credit and collateral and  
24 covenants and promises and oversight rights and the like are  
25 quite critical to that, and those have now been, we believe,

Page 16

1       negotiated to a place that we can live with. As the Court  
2       has heard me say many times, you know, this is not a perfect  
3       deal. We would have liked more and earlier, but this was  
4       the deal that everybody was ultimately willing to agree to  
5       under very very complex circumstances.

6               Finally, Your Honor, it just goes without saying  
7       that I believe we incorporated everything the Court said.  
8       One of the things that the Court will see is paragraph 7A of  
9       the proposed confirmation order now further clarifies that  
10      no material or substantive changes can be made to the  
11      settlement agreement, essentially, and that it's not -- this  
12      is the deal. The deal is done, and there will not be, you  
13      know, any further material certainly concessions to the  
14      Defendants in this case subsequent to the order being  
15      entered and the documents having gone final.

16               Number four, Your Honor, there was a filing we  
17      found a little bit puzzling by the U.S. Trustee yesterday.  
18      They called us yesterday and raised a question about  
19      language in our proposed confirmation order that they  
20      believe could be read ambiguously as somehow being -- I  
21      think the theory was like a ruling by this Court that this  
22      and other courts can't grant future stays. We didn't  
23      remotely read it that way. It certainly was nobody's intent  
24      and, frankly, it's completely standard language that's in  
25      dozens of confirmation orders.

Page 17

1           We said, absolutely, let's clarify it. We thought  
2 they were sending language; they didn't. Instead, they just  
3 filed a pleading on the docket expressing their concern  
4 about the ambiguity. I guess that's fine. And we jumped  
5 right on it and instantly drafted language that we think  
6 makes it clear beyond peradventure that there's no possible  
7 argument since of course this Court never would, never  
8 could, and no one would ever ask it to, you know, try to  
9 issue something about future stays.

10           The point is just we took out the Rule 3020(E)  
11 waiver of the 14-day stay so this case does have the 14-day  
12 stay under Rule 3020(E). And all the language says is that  
13 other than that stay, no other stays are currently in place.  
14 Obviously, if somebody moves for a stay and they get a stay,  
15 we'll all deal with that at the time and, obviously, we'll  
16 be ready to discuss that since many parties in this case  
17 certainly have strong views. So that has been addressed.

18           They did make a point about 1127. I just want to  
19 be clear. I think all of the many fiduciaries in this case  
20 are extraordinarily comfortable beyond a shadow of a doubt,  
21 frankly, that the changes to the plan have just made it  
22 better and better for the estate as, for example, to give  
23 the primary example, we have continued to narrow the scope  
24 of the releases in draft after draft while getting the same  
25 amount of consideration from the Defendants.

Page 18

1           So there's no limitation on the number of times  
2 you could amend the plan. The law is very clear which is  
3 you can't adversely affect creditors and stakeholders at a  
4 juncture like this. The U.S. Trustee is not suggesting we  
5 have. It almost seems more like amusing to me, but I do  
6 want to be very clear we believe that all of the changes in  
7 this plan that have happened really since it was originally  
8 filed in March and certainly collectively but even  
9 individually have done nothing but improve it further and  
10 further and further for the stakeholders for whom many of us  
11 serve as fiduciaries.

12           Obviously, they also indicate that they stand on  
13 their objection as to both legal fees and the legality of  
14 third-party releases. We certainly understand that. No one  
15 else refiled their objection to make clear that it's still  
16 standing. We understand. We don't pretend that all  
17 objections are resolved, but certainly things have been  
18 narrowed and many items have been resolved.

19           Finally, Your Honor, the last I think good-news  
20 announcement and I'll turn over the podium in a minute to  
21 Mr. Gleit is that I believe that there is now agreed  
22 language to effectuate the Court's in essence ruling on  
23 Friday about what the Court was and was not willing to do  
24 with respect to the DMPs based both on the pleadings and the  
25 factual record of the case. And so, you know, while that's

Page 19

1 not a settlement, it is simply language that we believe  
2 effectuates the Court's ruling. You know, I'm hoping that  
3 that issue is now behind us, as well.

4 And so, Your Honor, with all of those updates, I  
5 think it's fair to say that I should stop talking except to  
6 note that I think we're now down to at the end, you know, a  
7 very small number of the core objections about which we  
8 heard both extensive trial testimony and argument. And so I  
9 have no further updates I can announce because that's not  
10 where we are.

11 But, you know, the final, you know, ten or so sort  
12 of meta-objections have been resolved. We still continue to  
13 work with all parties and hope that we can come to a  
14 resolution. But it's just not where we are this morning.

15 So, Your Honor, unless the Court has questions for  
16 me, I think that that actually sort of updates the Court and  
17 all parties on what's been filed, why it was filed, which  
18 things are now in the "done" pile, obviously, but for Your  
19 Honor's comments, it goes without saying. and I have  
20 proposed to turn my mic off and as Mr. Gleit to quickly  
21 summarize the documentation on the DMP issue that Your Honor  
22 gave guidance on. And I think we have nothing further to  
23 say from the Debtors.

24 THE COURT: Okay. Thank you.

25 MR. GLEIT: Good morning, Your Honor. Jeffrey

Page 20

1 Gleit, post conflicts counsel for the Debtors.

2 THE COURT: Good morning.

3 MR. GLEIT: Good morning. Your Honor, we heard  
4 you loud and clear last Friday. And over the weekend and  
5 the beginning of this week, we worked with the DMPs and the  
6 AHC to work on language which I'm just going to briefly now  
7 put in the record a brief statement which says:

8 "The Debtors and the DMPs have agreed that the  
9 language inserted into 10.10(B) of the eleventh plan  
10 reflects the Court's statements made in connection with the  
11 DMPs' reserved objection. In addition, the parties agree  
12 that the Debtors would state on the record" -- which I'm  
13 doing now -- "Section 8.8(B) of the plan does not apply to  
14 the settling Co-Defendants."

15 And, lastly, a provision was added to the  
16 confirmation order which is going to make clear that any MDT  
17 insurance settlements going forward are going to be upon  
18 notice and in accordance with Bankruptcy Rule 9019.

19 So unless Your Honor has any questions, I think  
20 the issue is now resolved.

21 THE COURT: Okay. All right. Ms.  
22 (Indiscernible), is that correct? Does that language in the  
23 plan and the statement that Mr. Gleit just made resolve the  
24 remaining objection by the MDP parties or sometimes referred  
25 to as the Co-Defendants?

Page 21

1 WOMAN: Yes, Your Honor; it does. Thank you.

2 THE COURT: Okay. And I just want to be clear.

3 As I understand it, it leaves open the issues that I said  
4 should be left open, which includes potentially as a defense  
5 whether the rights to coverage under a policy were released  
6 under the agreement between the parties. But if in fact  
7 those rights are direct and established, then as I read the  
8 plan, it gives the -- that party that has that, those rights  
9 access. They're not enjoined by the insurance injunction.

10 WOMAN: That's our understanding, Your Honor.

11 Thank you.

12 THE COURT: Okay. Very well. I appreciate the  
13 parties' work on that.

14 All right. I think that concludes the first part  
15 of this hearing which really just went to clarify as noted  
16 the recent changes to the plan and updated me on the status  
17 of the settlement agreement with the Sackler parties. So  
18 I'll give you my bench ruling now on the Debtors' request  
19 for confirmation of the eleventh amended joint Chapter 11  
20 plan.

21 It is clear that the wrongful use including  
22 marketing of opioid products has contributed to a massive  
23 public health crisis in this country and elsewhere. The  
24 role of these Debtors and their owners, and this is a  
25 closely-held set of Debtors, to that crisis makes the

Page 22

1       bankruptcy cases before me highly unusual and complex.

2                  This is so primarily because of the nature of the  
3                  creditor body given the extraordinarily harmful effects of  
4                  the Debtors' primary product, OxyContin, and other opioids  
5                  on ordinary people as well as on the local governments,  
6                  Indian tribes, hospitals and other first responders, states  
7                  and territories, and the United States who must address  
8                  these effects on a daily basis. In a very real sense, every  
9                  person in the range of the Debtors' sell of opioid products  
10                 is a potential creditor.

11                 Bankruptcy cases present a unique and perhaps the  
12                 only means to resolve the collective problem presented by an  
13                 insolvent debtor and a large body of creditors competing for  
14                 its insufficient assets, including especially when dealing  
15                 with mass claims premised on a harmful product that, as is  
16                 the case here, causes massive harms or mass harms.

17                 Bankruptcy cases focus the solution away from  
18                 individual litigation to a fair collective result subject to  
19                 the unique ability under the bankruptcy laws to, under  
20                 generally well-defined and rare circumstances, bind holdouts  
21                 who could not otherwise be bound under applicable able.

22                 Over the years, courts and the parties to  
23                 bankruptcy cases have refined and improved on these  
24                 solutions. They clearly have been brought to bear here in  
25                 these cases involving in all likelihood the largest creditor

1 body ever. And I'm not speaking solely of the roughly  
2 614,000 claims that were filed, although I believe that is a  
3 record, but also as I noted before the people who could  
4 arguably be said to be represented by their local  
5 governments and their state governments as well as by the  
6 United States.

7 Here, too, the parties have worked in unique and  
8 trailblazing ways to address the public health catastrophe  
9 that underlies those claims. These cases are complex, too,  
10 because the Debtors' assets include enormous claims against  
11 their controlling shareholders and in some instances  
12 directors and officers who are members of the Sackler family  
13 whose aggregate net worth, through greater than the Debtors,  
14 also may well be insufficient to satisfy such claims and  
15 other very closely-related claims against them that are  
16 asserted by third-parties who also are creditors of the  
17 Debtors, that is have claims against the Debtors.

18 The questions then are how can such claims be  
19 resolved to best effect for the claimants and is such  
20 resolution authorized under the Bankruptcy Code and law.  
21 The primary questions for me in this case focusing on the  
22 Chapter 11 plan that is before the Court for confirmation is  
23 can these issues be resolved by the Court by approval of the  
24 plan and should they. It is clear to me after a lengthy  
25 trial that there is now no other reasonably conceivable

1 means to achieve this result.

2 I believe it is also clear under well-established  
3 precedent that with a sufficient factual record, Congress in  
4 the Bankruptcy Code and the courts interpreting it provide  
5 the authority for such a resolution. That leaves the  
6 question should this resolution be implemented. This ruling  
7 explains my findings and conclusions with respect to all of  
8 those issues informed by the record of these cases, the  
9 parties' votes on the plan, the parties' briefing, and the  
10 record of a six-day trial involving 41 witnesses in a  
11 courtroom full of exhibits and two full days of oral  
12 argument.

13 I will note before I proceed that I am giving this  
14 ruling as an oral bench ruling as opposed to writing a  
15 written opinion because I believe it is of critical  
16 importance that the parties to these cases learn the result  
17 of my analysis as promptly as practicable.

18 As I often do with lengthy bench rulings, I will  
19 go over the transcript of my ruling. And if I feel that I  
20 have said something inartfully or left something out that I  
21 should have said and, of course, in addition to correcting  
22 any typos or missed citations or citations in improper form,  
23 I will modify my bench ruling and file it as a modified  
24 bench ruling, not obviously as a transcript.

25 But, again, as with any case of this size and

Page 25

1 particularly given this case where the parties I think  
2 universally have made it clear, and I fully understand them,  
3 that it is important to devote the Debtors' resources as  
4 soon as possible to paying victims' claims and otherwise  
5 abating the opioid crisis, that there should not be any  
6 further delay in my delivering this ruling.

7 The notice of the Debtors' request for  
8 confirmation of the plan was set forth by Jeanne Finegan in  
9 her declaration and testimony, primarily her third  
10 supplemental declaration which served as her direct  
11 testimony but also referred to prior declarations that she  
12 had provided with respect to the noticing of claimants and  
13 potential claimants in these cases.

14 It is clear from her testimony that the notice of,  
15 A, these bases; B, the right to assert a claim against these  
16 Debtors; C, the request for confirmation of the plan; and D,  
17 the proposed broad release of third-parties' claims against  
18 the released parties in the plan which is primarily of the  
19 Sacklers and their related entities, was unprecedentedly  
20 broad with only one caveat.

21 Ms. Finegan's testimony was undisputed that the  
22 Debtors' noticing program as implemented under Ms. Finegan's  
23 supervision reached roughly 98 percent of the population of  
24 the United States and a only marginally smaller number or  
25 percentage of the population in Canada and also was

1 extensive throughout the world where the Debtors' own  
2 products might have caused harm.

3 The program was carefully tailored to reach known  
4 creditors but also to reach the population at large  
5 including through various types of media aimed at people who  
6 may have been harmed by the Debtors' products. Ms.  
7 Finegan's calculations reflect literally billions of hits on  
8 the social media and internet notices as well as, of course,  
9 reliable studies of the reach of the other means of notice.

10 The caveat that I would have is that the notice to  
11 those in prison was in part effective, I believe, in  
12 providing notices to prisons and to groups working with or  
13 known to work with people who are in prison and suffering  
14 from opioid use disorder or other adverse effects of  
15 opioids. But it is certainly within my contemplation that  
16 given prison regulations and at times lack of access to TV  
17 and radio and other media, prisoners may not have gotten the  
18 same high level, and I'm talking again about approximately  
19 98 percent of the entire U.S. population, of notice of the  
20 case, the bar date, the confirmation request, and the  
21 releases in the plan.

22 On the other hand, the Debtors and the plan  
23 including the personal injury trust procedures have made it  
24 clear that they are flexible with regard to late claims  
25 against the personal injury trust and the assertion of

Page 27

1 evidence to the trust by prisoners in light of prisoners'  
2 unique circumstances.

3 United States Trustee also suggested that  
4 references to the plan in the notice would have sent a party  
5 to a lengthy and complex set of release provisions. This is  
6 true, and it clearly does take a lawyer to parse through  
7 those provisions. And even then, as reflected by the record  
8 of the parties' responses to my comments, those provisions  
9 were subject to some potential for differing interpretation,  
10 although I believe that is not the case now that they have  
11 been narrowed.

12 However, the notice that was most widespread was a  
13 very simple one that made it quite clear that the plan  
14 contemplated a broad civil release of the Debtors'  
15 shareholders, the Sacklers, and their related entities. In  
16 addition, the extensive media coverage of this case also  
17 made that point crystal clear. And it is that aspect of the  
18 release rather than parsing through it that is the basis for  
19 the objections that have been filed and, therefore, that  
20 could have been filed, i.e., that it is too broad and not  
21 authorized under applicable law, which I believe was  
22 pervasively spread throughout the country and in Canada.

23 So I conclude that the Debtors' notice of the  
24 confirmation hearing and the proposed releases in the plan  
25 was sufficient and, again, unprecedently broad.

1           Next, I should note the vote on the plan by the  
2 classes entitled to vote. It is important to address this  
3 issue up-front because if a plan is not accepted by an  
4 impaired class in its vote, the plan proponent must proceed  
5 under the so-called cramdown provision of the Bankruptcy  
6 Code, Section 1129(b). On the other hand, if all of the  
7 impaired classes have voted in favor of confirmation of the  
8 plan, the Court analyzes only Section 1129(a)'s requirements  
9 for confirmation and the incorporated provisions of the  
10 Bankruptcy Code related to it such as Section 1122 and 1123  
11 of the Code.

12           Based on the ballot declaration and testimony of  
13 Christina Pullo, this plan received I believe also an  
14 unprecedented number of votes cast. And of the votes cast,  
15 the plan was in fact accepted by every voting class, thus,  
16 obviating the need to proceed with the cramdown provisions  
17 of the Bankruptcy Code.

18           In addition, and significantly, each voting class  
19 voted overwhelmingly in favor of confirmation of the plan.  
20 On average, the vote was over 95 percent in favor of  
21 confirmation of the plan. That, too, is a remarkable result  
22 given the very large number of people who got notice, who  
23 were entitled to vote, and who actually voted. And the  
24 unprecedently large number applies to each of those  
25 categories.

1           On the personal-injury claim side, the vote was  
2 roughly 97 percent. In all cases, it was above 95 percent  
3 except with regard to the hospital class which was just  
4 under 90 percent, which however -- no member of which,  
5 however, has actually objected or has an extant objection to  
6 the plan.

7           I will address separately two objections that  
8 allege that the votes should be looked at differently,  
9 first, that the plan improperly classified certain claims  
10 with other claims and that if they had been classified  
11 differently in a separate class, the vote would not have  
12 been as overwhelming, although it's acknowledged by those  
13 objectors that it would still have been over 75 percent as  
14 far as the super majority voting in the class, which is the  
15 figure that Congress provided for in Section 524(g) of the  
16 Bankruptcy Code when setting a higher bar for the release or  
17 channeling of third-party claims in cases where the claims  
18 are asbestos liability-related. Again, I will address those  
19 classification points separately.

20           In addition, and frankly baffling to me, the  
21 United States Trustee has argued that I shouldn't just look  
22 at the votes cast but at the votes that were not cast in  
23 determining whether the plan was overwhelmingly accepted.  
24 That, of course, is not how elections are conducted. There  
25 is no conceivable way to determine the preferences of those

Page 30

1 who didn't vote other than that they didn't object and they  
2 took no position in a "no" vote.

3                 But where a vote is as extensive as this with  
4 hundred -- well over 100,000 people voting, under any  
5 measure, this plan has been overwhelmingly accepted. And,  
6 of course, it is the vote that counts under Section 1126 of  
7 the Bankruptcy Code and in every election, not a statement  
8 by a bureaucrat or his or her sense of where the wind is  
9 blowing. That's why we have elections.

10               A plan proponent has the burden of proof on all of  
11 the applicable elements of Section 1129(a) that must be  
12 satisfied for a plan to be confirmed. That burden of proof  
13 is satisfied by a showing that the applicable provision has  
14 been met by a preponderance of the evidence. In Re Ditech  
15 Holding Corp, 606 B.R. 544,554 (Bankr. S.D.N.Y. 2019) and  
16 the cases cited therein.

17               Many of the provisions of Section 1129(a) that are  
18 applicable to this plan are uncontested. And based on my  
19 review of the relevant witness declarations, including the  
20 declaration of Jon Lowne, John Dubel, and Jesse DelConte, I  
21 conclude that the uncontested -- that with respect to the  
22 uncontested provisions of Section 1129(a), the Debtors have  
23 carried their burden of proof.

24               The provisions of Section 1129(a) that have been  
25 contested by the remaining objections are Section 1129(a)(1)

1 which states that the plan must comply with the applicable  
2 provisions of this title, i.e., the Bankruptcy Code, which  
3 incorporates for purposes of the objections that were filed  
4 Sections 1122 and 1123(a)(4) of the Bankruptcy Code.

5 In addition, certain objectants have contested  
6 that the Debtors have not satisfied their burden to show  
7 under Section 1129(a)(3) that the plan has been proposed in  
8 good faith and not by any means forbidden by law.

9 The United States Trustee has objected that the  
10 payment of certain fees, that is legal fees and expenses,  
11 under paragraph 5.8 of the plan, violates Section 1129(a)(4)  
12 of the Code which states that it is a requirement for  
13 confirmation that any payment made or to be made by the  
14 proponent, by the debtor, or by a person issuing securities  
15 or acquiring property under the plan for services or for  
16 costs and expenses in or in connection with the case or in  
17 connection with the plan and incident to the case has been  
18 approved by or is subject to the approval of the Court as  
19 reasonable.

20 Certain objectors have also contended that the  
21 plan proponent has not satisfied the so-called "best  
22 interests test" of Section 1129(a)(7) of the Bankruptcy Code  
23 which requires a showing that with respect to each impaired  
24 class of claims or interests, each holder of a claim or  
25 interest of such class has accepted the plan or, that is for

Page 32

1 those who have not accepted the plan, will receive or retain  
2 under the plan on account of such claim or interest property  
3 of a value as of the effective date of the plan that is not  
4 less than the amount, excuse me, that such holder would so  
5 receive or retain if the debtor were liquidated under  
6 Chapter 7 of this title on such date.

7 The objectors who have raised this provision  
8 contend that because they're third-party claims against the  
9 released parties, the shareholder released parties, are  
10 being channeled to the plan trust or otherwise precluded  
11 because of the distribution that they would be receiving  
12 under the plan, whereas they will not be in a Chapter 7  
13 liquidation, the plan fails the so-called "best interests  
14 test" comparing that liquidation recovery to the recovery  
15 under the plan.

16 Finally, there has been a suggestion, although of  
17 the faintest kind, that the plan does not satisfy Section  
18 1129(a)(11) of the plan, the so-called "feasibility test"  
19 which states that confirmation of the plan is not likely to  
20 be followed by the liquidation or the need for further  
21 financial reorganization of the debtor or any successor to  
22 the debtor under the plan unless such liquidation or  
23 reorganization is proposed in the plan. I will address each  
24 of those individual objections shortly.

25 Although I can find at this point that the plan

Page 33

1 does satisfy the so-called "feasibility test" under Section  
2 1129(a)(11), as set forth in the uncontested fact  
3 declaration of Mr. DelConte showing projections and the  
4 assignability of the Debtors' insurance, the only -- and I  
5 would say this again -- nebulous objection on this point was  
6 by the holders of certain claims asserted by certain  
7 Canadian municipalities and First Nations which contended,  
8 albeit I think only at oral argument, that the treatment of  
9 those creditors under the plan would be sufficiently  
10 disagreeable to the Canadian court presiding over the  
11 ancillary CCAA proceeding in Canada when the Debtors request  
12 recognition of the plan.

13                 First, based on my understanding of the model law  
14 on cross-border insolvencies, which forms the basis of  
15 Chapter 15 of the Bankruptcy Code as well as the CCAA  
16 provisions providing for recognition, I am reasonably  
17 comfortable that the Canadian court will recognize the plan,  
18 although of course that is the decision for the Canadian  
19 court, and not view the plan as unduly discriminatory  
20 against Canadian creditors of the Debtor or Debtors in light  
21 of what they would reasonable recover from the Debtors if  
22 this plan were not confirmed and the different nature of the  
23 regulatory regime that governs the Canadian creditors than  
24 their U.S. counterparts, i.e., Native American tribes and  
25 municipalities in the U.S.

1           It is also my belief that the public policy  
2 exception to recognition under the model law on cross-border  
3 insolvencies would not be applied by the Canadian court  
4 given the narrow nature of that public policy exception,  
5 although again, of course, that decision is one to be made  
6 by the Canadian court.

7           Further, it appears to me, again, based upon Mr.  
8 DelConte's declaration that while recognition is important  
9 and would bring clarity and finality to the claims of  
10 Canadian creditors against these Debtors, the absence of  
11 recognition is not critical to the survival of NewCo under  
12 the plan and, therefore, that in any event the feasibility  
13 test would be met.

14           I will note further that the plan makes it clear  
15 that with respect to any Canadian creditor that has a claim  
16 against Purdue Canada which is not a debtor here or a claim  
17 against any of the shareholder-released parties that is  
18 unrelated to a claim against the Debtors here, i.e., for  
19 example, a claim against them because of their role in  
20 Purdue Canada, those rights are expressly preserved under  
21 the plan.

22           Most of the objections to confirmation of the plan  
23 are based on the objectants' contention that the settlements  
24 provided for in the plan either are not warranted under  
25 applicable bankruptcy law or are beyond the Court's power,

1 even if warranted under bankruptcy law, to approve and  
2 impose. Before addressing those issue, however, I will  
3 address the other remaining objections to the plan's  
4 confirmation.

5 The first set of objections that I will address  
6 have been raised by certain insurers, Navigators Specialty  
7 Insurance Company, American Guaranty and Liability Insurance  
8 Company, and Steadfast Insurers and joined in by National  
9 Union Insurance Company. I will note that another insurer  
10 objection made by the Chubb Insurance USA Group has been  
11 withdrawn.

12 The Debtors seek certain findings in the  
13 confirmation order regarding the effectiveness of the  
14 transfer of the Debtors' insurance or insurance rights to  
15 the trust established under the plan to fund and make  
16 distributions to creditors. They also seek findings  
17 regarding the plan's settlement of opioid claims, namely  
18 that the treatment of opioid claims under the plan or  
19 insured claims under the plan or arguably insured claims  
20 does not have the effect of impairing any applicable  
21 insurance coverage as a bona fide fear of settlement on due  
22 notice to the objecting insurers as well as the other  
23 insurers who did not object.

24 The plan does not seek extensive findings as to  
25 the Debtors' insurance. It, for example, does not seek a

Page 36

1 declaration that any insurance coverage or insurance rights  
2 actually apply. That is the subject of a separate  
3 litigation that will take its own course. Rather, the  
4 findings that the Debtors seek are integral simply to the  
5 effectuation of the transfer of insurance and insurance  
6 rights to the trust from the Debtors and to obviate a  
7 defense that the plan itself in providing for a means to pay  
8 opioid-related claims somehow derogates the insurers' rights  
9 to review and consent to the payment of an insured claim.

10 The objectors contend that the plan and  
11 confirmation order should be "insurance neutral, i.e.,  
12 postponed for another day the need for even these findings."  
13 There is no such concept or requirement that a plan be  
14 insurance neutral. And where a plan provides for as an  
15 element of the plan the transfer of the Debtors' insurance  
16 or insurance rights to a trust, the issue has been joined in  
17 the confirmation hearing. And the Court is properly  
18 situated to decide it.

19 This is in contrast to, again, general coverage  
20 issues, i.e., whether any particular claim against the  
21 insurance is excluded because of a coverage exclusion, which  
22 is not an element that the plan request a determination of  
23 or hinges upon and where the plan is clear in the  
24 reservation of rights by the insurance -- by the trustees of  
25 the trust that will hold the insurance and insurance rights

1 on the one hand and the insurers on the other.

2                   The insurance-neutral argument that the objecting  
3 insurance companies make, therefore, is not grounded on an  
4 underlying principle of bankruptcy law but rather only on a  
5 due process concern. They contend that as originally filed,  
6 the plan was arguably completely insurance neutral and did  
7 not seek these types of determinations. However, I believe  
8 that the record is clear that the objecting insurers and all  
9 other insurers have had sufficient notice for months now  
10 that the Debtors were going to seek these limited findings  
11 in the confirmation order.

12                  The insurers are extremely well represented,  
13 highly sophisticated, as evidenced by the negotiations over  
14 the plan provisions relating to them and the proposed  
15 confirmation order. And they had a full opportunity to  
16 challenge the findings that I've just outlined that are  
17 being sought by the Debtors and their allies, the parties  
18 that is, who would receive the benefits of the insurance  
19 under the plan, namely the creditors.

20                  That notice has really been made to them, at least  
21 since May of 2021 and for the statutory and Bankruptcy Rules  
22 notice period for the confirmation hearing, as well.

23                  The plan also resolves the remaining due process  
24 issue that the insurers had raised which is, as originally  
25 drafted, it left open the possibility that additional

1 findings could be sought or documents could be filed that  
2 the insurers would not have notice of and that might  
3 nevertheless be bindings on them. The plan has been amended  
4 to make it clear that that is not going to happen.

5 As far as the finding as to the plan's resolution  
6 of arguably insured claims by providing for the distribution  
7 of 100 percent of the value of the Debtors on account of the  
8 claims asserted against them in the form of payments between  
9 700 and \$750 million through personal injury trusts and  
10 remaining amounts of at least 5 billion to abate the opioid  
11 crisis in various forms, it is almost impossible to see how  
12 -- in fact, I believe impossible to see how an insurer could  
13 claim that its consent rights were somehow violated by  
14 notice of the plan and the implementation of it.

15 As far as the filed claims are concerned, the  
16 claims assert roughly \$40 trillion excluding a sole \$100-  
17 trillion claim that was filed by an individual, and that is  
18 only roughly 10 percent of the claims, the others asserting  
19 unliquidated amounts or unasserted amounts as set forth in  
20 the declaration of Jessica B. Horewitz, Ph.D., which is an  
21 expert declaration. She calculated that the actual fixed  
22 claim of the Department of Justice under the settlement  
23 agreement entered into by the Debtors during the course of  
24 this case provides for less than a one-percent recovery on  
25 the asserted claim.

Page 39

1           Under those circumstances, given the wide notice  
2 and the absolute lack of any objection to the plan's  
3 allocation of value either to opioid victims or to abate the  
4 opioid crisis and the fact that insurers' consent rights  
5 just like any other contract parties' consent rights are  
6 circumscribed by the Bankruptcy Code's own separate notice  
7 and hearing process. The Debtors' request for a finding as  
8 to applicable consent provisions is justified and  
9 appropriate.

10           In addition, ample case law establishes the  
11 authority under Sections 1123(a)(5)(B) and (b)(2) and (6) to  
12 transfer as part of a plan and in furtherance of a plan  
13 insurance rights and insurance policies to a trust to pay  
14 mass claims as exist in this case, the analysis set forth by  
15 the Third Circuit in *In re Federal-Mogul Global Inc.*, 684  
16 F.3d 355 (3d. Cir. 2012), I believe cannot be improved on in  
17 this context.

18           I will note that although that was a case driven  
19 by asbestos claims, the logic behind the Court's analysis  
20 was based on Section 1123(a)(5) and 1141, not Section 524(g)  
21 of the Code and, therefore, it would apply here. See also  
22 *In re W.R. Grace and Company*, 475 BR 34, 139 \*189 (D. Del.  
23 2012), affirmed 729 F.3d 311 (3d Cir. 2013) and the cases  
24 cited therein which show the vast, and I think perhaps  
25 unanimous, authority for the finding and conclusion that the

Page 40

1       Debtors seek here that notwithstanding any anti-assignment  
2       provision and any applicable insurance under the plan, the  
3       insurance policies or the insurance coverage rights, or the  
4       rights to the proceeds could be assigned to the MDT, the  
5       Master Distribution Trust.

6                  I will note that both of these findings are also  
7       warranted given that it appears that at least at this point  
8       the insurers who have objected have either disclaimed  
9       coverage or indicated that they were reserving their rights  
10      to do so. See JP Morgan Security Inc. v. Vigilant Insurance  
11      Company, 58 NYS 3d. 38 (1st Dep't 2017) and the cases cited  
12      therein.

13                  So I will overrule the remaining portions of the  
14      insurers' objection to the extent they actually do remain.  
15      And I will note that in light of the colloquy during oral  
16      argument with the insurers' counsel and counsel handling  
17      insurance issues in this case, Reed Smith, it appeared to me  
18      that most if not all of the objections actually had been  
19      resolved by the changes to the plan that I've already  
20      described.

21                  The next objection that I want to address is an  
22      objection by the United States Trustee not to the plan  
23      settlement and release provisions pertaining to the  
24      shareholder release parties, i.e., the Sacklers and their  
25      related entities, but rather a separate objection which is

1 to Section 5.8 of the plan.

2                 The plan provides for compensation of a defined  
3 term "professionals" which are estate-retained professionals  
4 or professionals such as counsel for Official Committee of  
5 Unsecured Creditors who are retained pursuant an order of  
6 the Court and paid out of the estate's assets for their  
7 post-petition, that is post-bankruptcy filing, work. Two  
8 other groups of professionals are also covered by orders of  
9 the Court previously entered in the case and will continue  
10 to be so with respect to their fees through the effective  
11 date or the confirmation date of the plan under those  
12 orders, namely the AHC and the multi-state governmental  
13 entities group.

14                 Section 5.8 of the plan sets forth the treatment  
15 of fee claims for other counsel, not counsel formally  
16 retained by and whose retention was approved by an order of  
17 the Court or was approved by order of the Court even if  
18 retained separately. That section lays out the settlement  
19 regarding the payment of these counsel, namely funds from  
20 the so-called No Act and Tribal Abatement Fund Trusts for  
21 political subdivisions and tribes' counsel.

22                 In addition, it lays out payment of attorneys  
23 involved in the pursuit by hospitals of their claims, the  
24 so-called NAS monitoring claimant costs, that is the counsel  
25 for NAS victims, payment for rate-payer costs and expenses,

1 payment for personal injury claimants' costs and expenses,  
2 payment for the public schools' costs and expenses.

3                 The U.S. Trustee contends that the only way that  
4 the plan can provide for such payments is pursuant to  
5 Section 503(b) (3) or (4) of the Bankruptcy Code which  
6 provides that after notice and a hearing, there should be  
7 allowed administrative expenses, that is expenses against  
8 the estate for post-petition claims, including the actual  
9 necessary expenses comprising reasonable compensation for  
10 professional services rendered by an attorney or an  
11 accountant of an entity whose expense is allowable under  
12 (a), (b), (c), (d), or (e) of paragraph 3 based on the time,  
13 the nature of the extent, and the value of such services and  
14 the cost of comparable services other than the case under  
15 this title and reimbursement of actual necessary expenses  
16 incurred by such attorney or accountant.

17                 That section takes you back to Section 503(b) (3)  
18 which requires that a creditor show that it made a  
19 "substantial contribution in a case under Chapter 11 of the  
20 Bankruptcy Code." This contention by the U.S. Trustee is  
21 wrong in two critical respects. First, the bulk of the fees  
22 that it is objecting to are not for post-petition work but  
23 rather for pre-petition work in bringing and pursuing claims  
24 against Purdue and to some extent the Sacklers before the  
25 commencement of the bankruptcy case including in the multi-

Page 43

1 district litigation that was pending before the start of the  
2 case.

3 Unsecured creditors' claims for collection of  
4 costs including attorneys' fees are based in contract  
5 ultimately as well as rights under applicable non-bankruptcy  
6 law and enforceable in bankruptcy without the necessity to  
7 comply with Section 503(b)(3) and (4) which applies only to  
8 post-petition services or services leading up to a plan if  
9 one seeks an administrative expense. See *In re United*  
10 *Merchants and Manufacturers, Inc.*, 674 F.2d 134, 138 (2d  
11 Cir. 1982).

12 The U.S. Trustee is wrong on this point also  
13 because the remaining fees to be sought again are not being  
14 sought as an administrative expense but rather as part of a  
15 highly-negotiated compromise of those fees and their  
16 clients' obligation to pay those fees reached during the  
17 mediation in this case conducted by Messrs. Feinberg and  
18 Phillips.

19 The settlements laid out in Section 5.8 that  
20 resulted from that mediation are subject to court review  
21 both under Bankruptcy Rule 9019 and I believe, although  
22 there are arguments to the contrary, under Section  
23 1129(a)(4) of the Bankruptcy Code, which I previously read,  
24 and have been so recognized in this district. See *In re*  
25 *Sterns Holding LLC*, 607 BR 781, 793 (Bankr. SDNY 2019) and

Page 44

1       In re Sabine Oil & Gas Corp., 555 BR 180, 258 (Bankr. SDNY  
2       2016).

3                  The U.S. Trustee relies upon a case that is  
4       eminently distinguishable, In re Lehman Brothers, Inc., 508  
5       BR 283 (SDNY 2014). In that case, the district court noted  
6       that Congress had specifically precluded recovery by  
7       creditors' committee members of their post-bankruptcy fees  
8       and expenses. Therefore, any settlement of those expenses  
9       would be improper as controverted by that provision. See.  
10      In contrast, In re AMR Corp. 497 BR 690, 695 (Bankr. SDNY  
11      2013).

12                 The mediator's report has made it clear and there  
13       is unrefuted testimony in the record in addition to the  
14       mediator's report on the docket by Gary A. Gotto, Peter  
15       Weinberger, and Jayne Conroy as to, not only the  
16       reasonableness of the contingency fees provided for in  
17       Section 5.8, again, almost all of which were pre-petition or  
18       for services rendered pre-petition but also the significant  
19       compromise of those fees as set forth in Section 5.8  
20       compromising down from a range of generally 20 to 40 percent  
21       to the ranges set forth in Section 5.8.

22                 As stated in the mediator's report, the  
23       contingency fee resolutions as well as the common benefit  
24       assessments reached in this mediation are consistent with  
25       fee awards or arrangements of assessments agreed upon in

Page 45

1 other similar mass-tort situations. See also the  
2 declaration of AG Guard at paragraphs 57 through 60, 73, and  
3 77 through 78; the Weinberger declaration at paragraphs 20  
4 through 27 and 31 through 32; and the Conroy declaration at  
5 11 through 15.

6 I do believe given Congress's concern that the  
7 court be the ultimate say on the reasonableness of  
8 attorneys' fees paid through a Chapter 11 plan, albeit that  
9 here they're not being paid by the Debtor but rather they're  
10 being paid by the clients and the trusts that the clients  
11 have agreed to set up as part of the clients' recovery.  
12 Congress did that, however, in Section 1129(a)(4), not  
13 503(b)(3) and (4), which requires only that the fees be  
14 founds to be reasonable.

15 That inquiry should not be turned into a mandate  
16 for an expensive or unnecessary review. In re Journal  
17 Register Company, 407 BR 520, 537-538 (Bankr. SDNY 2009)  
18 quoting maybe the Southwestern Electric Power Company (In re  
19 Cajun Electric Power Co-op Inc., 150 F.3d 503, 517 (5th Cir.  
20 1998) based upon the uncontested representations. And I  
21 note that the U.S. Trustee has made absolutely no effort  
22 whatsoever to contest them but, nevertheless, somehow  
23 contended that the fees were improper in the Guard-Conroy-  
24 Weinberger declarations and the mediator's report.

25 I find that the contingency fees provided for in

1 the plan paragraph 5.08 and the mechanism for allocating  
2 them among counsel are reasonable and, in fact, to the  
3 benefit of the estate by a reduction of the attorneys'  
4 claims. Sometimes being a watchdog that has no regulatory  
5 power requires backing off when the facts show that a  
6 provision is reasonable and for the benefit of the estate,  
7 not its detriment. This is one of those instances.

8 There are two sets of fees that I cannot on this  
9 record make a reasonableness finding on. I noted them  
10 during oral argument on this issue. They are fees that are  
11 based on not contingencies that the parties have analyzed,  
12 contingency fee mechanisms, that is, that the parties have  
13 analyzed and the mediators have analyzed and that I have  
14 analyzed and that have not been controverted but rather on  
15 hourly rates. I have not seen any time records as to the  
16 amount of time spent or the rates, and so I believe I need  
17 to make a reasonableness finding as to those counsel which  
18 are the counsel to the PI Ad Hoc Committee and the School  
19 Districts Committee.

20 The plan has been amended to reflect that opinion  
21 that voiced during oral argument with one wrinkle. It  
22 contemplated or it reflects that one portion of the school  
23 districts' claim may actually be a contingency fee claim.  
24 And it suggests that the Court will not review it if it is  
25 determined by one of the mediators, Mr. Feinberg, to be

1 reasonable. I'm not prepared to accept that mechanism. I  
2 will certainly take into account as I have with regard to  
3 the other contingency fee compromises that are set forth in  
4 paragraph 5.8 Mr. Feinberg's views, but I believe I  
5 ultimately have to make the reasonableness determination on  
6 notice to parties in interest including the U.S. Trustee.

7 I recognize that this is a compromise or that the  
8 contingency fee amount is a compromise. But given that I  
9 don't have evidence in this record to show that it was a  
10 reasonable compromise, I need to under Section 1129(a)(4)  
11 have the last say on it.

12 But I want to be clear that is a say that I will  
13 exercise based on my review of the reasonableness of  
14 contingency fee taking into account the evidence presented  
15 before me which I anticipate will be some statement by Mr.  
16 Feinberg and any other statement that would support that  
17 level of contingency fee. So the U.S. Trustee's objection  
18 on this point is overruled.

19 And just to be clear, because insinuations really  
20 shouldn't go unanswered, there is absolutely no evidence for  
21 any insinuation in the U.S. Trustee's filings that the fees  
22 provided for in paragraph 5.8 are somehow improper. In  
23 fact, to the contrary, they are settlements of claims that  
24 could be substantially higher and were settled as part of a  
25 mediation resolving the allocation of claims between public

Page 48

1 and private creditors and the amount that creditors were  
2 willing to accept coming from the Sacklers. The record is  
3 crystal clear on that. Again, the settlements are to the  
4 benefit of the creditors, not their detriment.

5 The next objections are by individuals, Creighton  
6 Bloyd, Stacey Bridges, and Charles Fitch in their individual  
7 capacities. They object contending that there was  
8 insufficient notice of the bar date to those incarcerated in  
9 prison, notwithstanding as I had noted above or earlier the  
10 extensive notice as testified to by Ms. Finegan.

11 There's a fundamental problem with this objection.  
12 All three of the objectors have actually filed a proof of  
13 claim timely, i.e., before the bar date. They, therefore,  
14 lack standing under Article III of the Constitution, and  
15 this Court lacks the power to decide their objection because  
16 as to them, and again, they're proceeding in their  
17 individual capacity, there is no remedy that the Court can  
18 grant. Again, they have filed timely proofs of claim in  
19 this case.

20 As recently stated by the Supreme Court in  
21 *TransUnion LLC v. Ramirez*, 141 S. Ct. 2190, 2202-2203  
22 (2021), to have standing and for there to be a case in  
23 controversy, the party raising a matter with the federal  
24 court must have a personal stake in fact and if they don't,  
25 there is no case or controversy which precludes

Page 49

1 determination of the objection under Article III of the  
2 Constitution.

3 See also *Kane v. Johns Manville, Corp.*, 843 F.3d  
4 636, 642-646 (2d.Cir 1988) which dealt with almost the same  
5 issue.

6 Mr. Bloyd also filed a second individual objection  
7 based on what he believes might be the consequences of the  
8 Debtors' criminal plea in their 2021 settlement with the  
9 Department of Justice. Mr. Bloyd's counsel acknowledged at  
10 oral argument that this issue is properly raised not here  
11 but at the Debtors' sentencing before the New Jersey  
12 District Court in which it can be argued that persons such  
13 as Mr. Bloyd might have an individual right to the proceeds  
14 to be paid by the Debtors under the DOJ settlement.

15 Even if that wasn't conceded, I rule that that  
16 issue is not a plan confirmation issue but rather an issue  
17 as to the allocation of the DOJ payment after the Debtor  
18 makes it. I don't believe it affects the feasibility of the  
19 plan. Moreover, based on my review of the discretion that  
20 the District Court would have under the applicable act that  
21 Mr. Bloyd is going to rely on where there is such a large  
22 number of potential victims for which the DOJ could be said  
23 to be acting, individual rights in a restitution fund can be  
24 foregone.

25 There's arguably a suggestion by Mr. Bloyd that

Page 50

1 somehow the Debtors and the Department of Justice colluded  
2 in agreeing to the settlement agreement and, therefore -- in  
3 that they did not provide for individual rights of  
4 restitution from the payments or the rights of the DOJ under  
5 the settlement agreement. This is not supported by the  
6 record.

7 The Debtors have established that, as far as the  
8 plan's treatment of the Department of Justice, the plan has  
9 been proposed in good faith under Section 1129(a) (3).  
10 There's no evidence of any attempt to improperly cut off  
11 rights that individual victims would have under the DOJ  
12 settlement and, indeed, the personal injury class was  
13 actively and well represented in the mediations in this case  
14 which came up with the funding of the personal injury  
15 trusts.

16 It's well established in the Second Circuit,  
17 including in the Drexel case that I'll be citing in a  
18 moment, that the fact that some creditors did not  
19 participate in a mediation does not render the results of a  
20 mediation improper or not in good faith. The extent of the  
21 vote of the personal injury class, 97 percent in favor of  
22 the plan, also argues for the good faith treatment of the  
23 personal injury creditors here vis-à-vis the DOJ settlement.

24 And again, I've noted the flexibility in the  
25 settlement and the applicable statute that would govern

Page 51

1 restitution rights, which of course, the district court in  
2 New Jersey will consider at the appropriate time.

3 So I will overrule Mr. Bloyd's second objection to  
4 the plan.

5 I had mentioned earlier that certain Canadian  
6 Municipalities and First Nations had filed an objection to  
7 the plan. I've reviewed the proofs of claim that they have  
8 filed in these cases against these Debtors. It is not clear  
9 from those claims, which essentially attach complaints  
10 against both non-debtor Purdue Canada and other non-debtors  
11 and these Debtors, whether the claims really are against the  
12 Debtors.

13 To the extent they are against Purdue Canada or  
14 other foreign non-debtors, those recoveries are fully  
15 preserved. They're not affected by the plan and claims  
16 against third-parties, including the Sacklers related to  
17 those types of claims, as opposed to claims against these  
18 Debtors, are not enjoined.

19 The gist of the objection is that rather than be  
20 treated as general unsecured creditors in Class 11, the  
21 Canadian Municipalities and First Nation objectors must be  
22 classified with the U.S. Public and Native American Tribes  
23 in Classes 4 and 5 respectively and participate in the  
24 abatement trusts created under the plan for those creditors.

25 It should be noted that these objectors have made

Page 52

1 no contention that the value to be paid to them as a Class  
2 11 creditor is unfairly different than the value to them if  
3 they participated in the NOAT and Native American Tribes  
4 Abatement Trusts. But in any event, it is conceded by these  
5 objectors that if their vote were counted in Class 11, as  
6 opposed to in Classes 4 and 5, Class 11 would still have  
7 overwhelmingly accepted the plan.

8 Thus, the provision is Section 1129(b)'s cramdown  
9 requirement that there be no unfair discrimination among  
10 similarly situated creditors in different classes does not  
11 apply. Instead, the objection is, if at all, properly  
12 couched under different provisions of the Bankruptcy Code.

13 I will note that there was some suggestion during  
14 oral argument and one sentence in the objection that stated  
15 that the claims of the Canadian Municipalities and First  
16 Nations should not be allowed for voting purposes at \$1.00,  
17 as provided for in the Court's confirmation/disclosure  
18 statement order. However, there's been no request to  
19 estimate these claims for voting purposes under Section  
20 502(c) of the Bankruptcy Code or Rule 3018.

21 And further, such treatment, i.e., temporary  
22 allowance for what would otherwise be a disputed and  
23 unliquidated claim arguably not even against these Debtors  
24 for mass tort liability, is well recognized as being fair --  
25 see the discussion in *In re Lloyd E. Mitchell, Inc.*, 373

Page 53

1       B.R. 416, 428 (Bankr. D. Md. 2007) and the cases cited  
2       therein -- given the vast number of claims asserted that are  
3       unliquidated like these and subject to dispute. To subject  
4       the process to fixing the amounts of such claims would  
5       defeat the whole conduct of the bankruptcy case.

6                  Given that Section 1129(b) doesn't apply to this  
7       issue because of the class vote, the issue is whether the  
8       plan's separate classification of these objecting creditors  
9       in Class 11, as opposed to the class that they want to be  
10      in, is proper.

11                 Separate classification of similar claims is a  
12       right that a plan proponent has under the Bankruptcy Code if  
13       there's a reasonable basis to classify the claims  
14       separately. See generally 7 Collier on Bankruptcy,  
15       Paragraph 1122.03[1][c] 16th Edition 2021; In re  
16       Lightsquared, Inc., 513 B.R. 56, 83 (Bankr. S.D.N.Y. 2014),  
17       and In re Drexel Burnham Lambert Group, Inc., 138 B.R. 723,  
18       759 (Bankr. S.D.N.Y. 1992).

19                 Section 1122 of the Bankruptcy Code, which again  
20       is incorporated into Section 1129(a)(1) states nearly that  
21       notwithstanding any otherwise applicable non-bankruptcy law,  
22       the plan shall -- I'm sorry, I'm focusing on Section 1129 --  
23       designate, subject to Section 1122 of this title, classes of  
24       claims.

25                 Section 1122 says, except as provided in

1 subsection (b) of this section, which is inapplicable here,  
2 a plan may place a claim -- that is may place a claim -- in  
3 a particular class only if such claim or interest is  
4 substantially similar to other claims or interests in such  
5 class. It doesn't require all substantially similar claims  
6 to be placed in the same class, only that if you are putting  
7 claims in a class, they need to be substantially similar.

8                 Here, there is clearly a rational basis for  
9 separately classifying these objectors' claims from the U.S.  
10 public creditors and Native American Tribes, based upon the  
11 different regulatory regimes that the objectors operate  
12 under with regard to opioids and abatement, as well as the  
13 fact that the allocation mediation, which I'll be discussing  
14 at length later, which allocated the Debtors' assets and  
15 third-party claim assets among private and public claimants  
16 and then separately among the public claimants involved U.S.  
17 public claimants and their own regulatory interests and  
18 features.

19                 The record reflects that there was no request by  
20 any of the objecting creditors to participate in that  
21 mediation. The record is also clear, and I can take  
22 judicial notice of the fact as well, that those who did  
23 request to participate in the mediation, if they had a  
24 reasonable basis to do so, were generally invited into the  
25 mediation, including for example, the NAACP.

1           The failure to participate in mediation is not  
2 something that should detract from the settlement reached,  
3 as long as the classification scheme is fair and rational.  
4 See *In re Peabody Energy Corp.*, 933 F.3d 918, 927-8 (8th  
5 Cir. 2019).

6           Such a distinction between U.S. and Canadian  
7 claimants has been recognized by the Third Circuit and the  
8 Sixth Circuit. See *Class 5 Nevada Claimants v. Dow Corning*  
9 Corp. (*In re Dow Corning Corp.*), 280 F.3d 648, 942 (6th Cir.  
10 2012). See also, *In re W.R. Grace & Co.*, 729 F.3d 311, 329-  
11 30 (2013), where Canadian property damage claims, including  
12 a claim by the Queen on behalf of Canada, was found to be  
13 properly separately classified because of the different  
14 types of recovery such claims would have under applicable  
15 law, a close analogy to the different regulatory schemes  
16 that would apply here to the NOAT Trust.

17           Again, there was a suggestion that the separate  
18 classification was also not in good faith, asserting  
19 basically the same argument that because the Canadian  
20 Municipalities and First Nations didn't have the same  
21 treatment and classification as the U.S. governmental  
22 entities and Native American Tribes, the plan was not in  
23 good faith or proposed in good faith.

24           But given the plan's rational basis for separate  
25 classification and the lack of any evidence to show that the

1       objecting creditors were improperly silenced or excluded  
2       from negotiations, I find that the plan is proposed in good  
3       faith as to them.

4                 Besides raising the foregoing objections, the  
5       Canadian creditors object to the plan's release of third-  
6       party claims against the Sackler shareholder released  
7       parties. To the extent they make the same arguments as  
8       others do who raised this point, I will address them  
9       collectively later.

10               In addition, however, the Canadian objectors have  
11       contended that because no money from the shareholder  
12       settlement is being specifically channeled to Class 11,  
13       Class 11 creditors should not be enjoined under the plan  
14       from pursuing whatever claims they have against the Sacklers  
15       or the Sackler released parties based on their U.S. conduct.  
16       Is this a valid basis for the plan objection?

17               Here, I conclude that it is as, at least by the  
18       Canadian creditors, the uncontested best interest  
19       liquidation analysis in the DelConte declaration shows Class  
20       11 creditors would receive no recovery on their claims if,  
21       as I believe is the case, upon their carveout from the  
22       third-party release provisions, the Debtors would liquidate  
23       the Sackler settlement, in other words, enables the Class 11  
24       recovery to exist. It is necessary for and inextricably  
25       tied to the plan and fair to the Canadian objectors,

1 therefore, to bind them to the release provisions in the  
2 plan.

3 I will note in this regard that there's been no  
4 indication in any claim by the Class 11 creditors that the  
5 Sacklers would be liable to them based on their conduct  
6 related to the U.S. Debtors. Indeed, as noted, there's  
7 really little indication that there's any claim against the  
8 U.S. Debtors in the first place.

9 It is clear to me from the liquidation analysis  
10 and the record of this case, therefore, that the payment to  
11 the class of unsecured creditors, that is Class 11 in which  
12 these objectors reside, is fair taking into account not only  
13 their rights against the Debtors, but also whatever rights  
14 they may have against the Sacklers that would be released  
15 under the plan, and, in fact, that they would not recover if  
16 they were carved out from the release, so I will overrule  
17 that objection.

18 Certain of the objecting states and the District  
19 of Columbia have raised another objection to confirmation  
20 than their objection to the third-party claims release and  
21 injunction in the plan. They have asserted, first, that the  
22 plan violates Section 1122 of the Bankruptcy Code by  
23 classifying them in Class 4 with their political  
24 subdivisions.

25 Given that classification, if one simply goes by a

Page 58

1 creditor term by creditor vote in that class, the objecting  
2 states and District of Columbia have a tiny percentage of  
3 the no vote, compared to an enormous percentage of the yes  
4 vote. They obviously do not like being portrayed that way,  
5 and I do view them as representing their state as a whole,  
6 that is the people in that state.

7 I do not accept, however, their blanket  
8 characterization that because they are states, the other  
9 public creditors, political subdivisions, municipalities and  
10 the like that are in their class, can be silenced. I accept  
11 that for most states that is not the case. More  
12 importantly, states have political subdivisions that is  
13 because of home rule laws and the like.

14 More importantly, there has been no attempt by the  
15 objecting states and the District of Columbia to silence the  
16 other members of their class by seeking to disallow their  
17 vote or designate their vote under Section 1126 of the  
18 Bankruptcy Code. And in any event, it is a position taken  
19 only as to some political subdivisions' claims as being  
20 precluded by the parens patriae rights of a state, as  
21 opposed to all of them.

22 Importantly, the states acknowledge -- and this  
23 was stated on the record by their counsel -- their claims  
24 have the same rights to the Debtors' assets as other general  
25 unsecured creditors, including the political subdivisions

1 that are in their class. That is, the states' claims are  
2 not priority claims, they're not secured claims; they're  
3 general unsecured claims.

4                 The law is clear that under those circumstances,  
5 the states' claims are, in fact, properly classified under  
6 Section 1122(a), as I previously read, with the other claims  
7 in their class. As noted by the Third Circuit in *In re W.R.  
8 Grace & Co.*, 729 F.3d 311, 326 (3d Circ. 2013), to determine  
9 whether claims are substantially similar for purposes of  
10 Section 1122(a), "The proper focus is on the legal character  
11 of the claim as it relates to the assets of the debtor." *In  
12 re AOV Industries, Inc.*, 792 F.2d, 1140, 1150, (DC Cir.  
13 1986). See also, *In re Tribune Company*, 476 B.R. 843, 855  
14 (Bankr. D. Del 2021), (concluding that the phrase  
15 substantially similar reflects, "The legal attributes of the  
16 claims, not who holds them), and *In re Quigley*, 377 B.R.  
17 110, 116 (Bank. S.D.N.Y. 2007), "Claims are similar if they  
18 have substantially similar rights to the Debtors' assets."  
19 See also, *In re Drexel Burnham Lambert Group, Inc.*, 138 B.R.  
20 723, 757 (Bankr. S.D.N.Y. 1992) and 7 Collier on Bankruptcy,  
21 Paragraph 1122.03[3] 16th Edition 2021.

22                 That is clearly the case here and, therefore, the  
23 claims can in fact and should in fact properly be classed  
24 together, which has resulted in the unanimous agreement by  
25 all of the states, including these objecting states as to

1 the allocation within the class among them and the other  
2 public creditors that was reached during the lengthy and  
3 difficult mediation conducted by Messrs. Phillips and  
4 Feinberg.

5 It also should be noted, although ultimately this  
6 has little bearing on the classification issue, only bearing  
7 on the plan release issue, that if the plan had separately  
8 classified the states, although again that would have unduly  
9 complicated the universally agreed public side allocation of  
10 value as between the states on the one hand and all of the  
11 other public entities on the other in Class 4, the accepting  
12 states, the states accepting the plan, and the territories  
13 would go from 95 percent as far as Class 4 is concerned to  
14 80 percent or slightly below 80 percent, in each case, well  
15 above the 75 percent supermajority threshold in the  
16 analogous section of the Bankruptcy Code 524(g).

17 The objecting states and District of Columbia also  
18 have referenced the alleged impropriety of classifying their  
19 claims as well as all other opioid-related claims, none of  
20 which have been liquidated to a dollar amount and most of  
21 which never will be liquidated to a dollar amount, none of  
22 which at least by the public entities will be because of the  
23 plan and the agreement by all of the states in the plan to  
24 use the money to abate opioids as opposed to paying them  
25 cash. They nevertheless contend that their claims should

1 not have been allowed for voting purposes at \$1.00.

2           This objection should be denied for the same  
3 reason that I denied the same argument made by the Canadian  
4 Municipalities and First Nations: there's been no effort by  
5 any of these objectors to seek to temporarily allow their  
6 claims for voting purposes. There's an obvious reason for  
7 that.

8           If that request had been made, every entity that  
9 wanted to vote would have made the same request and we would  
10 have been engaged in, I believe, literally years of  
11 litigation over liquidating the claims, which these entities  
12 themselves by their own choice as part of a mediation have  
13 agreed needn't be done because the money will go to opioid  
14 abatement instead of into their individual treasuries.

15           Under those circumstances, it's perfectly  
16 appropriate to allow the claims for voting purposes for  
17 \$1.00. Again, it's the In re Lloyd E. Mitchell, Inc., 373  
18 B.R. at 428.

19           The same objecting states also argue that they are  
20 being treated unequally with the United States, which is in  
21 large measure carved out of the third-party release in the  
22 plan. This, however, is not a proper objection under  
23 Section 1124 -- excuse me -- 1123(a)(4), which says that a  
24 plan shall provide the same treatment for each claim or  
25 interest of a particular class unless the holder of a claim

1 or interest agrees to a less favorable treatment because  
2 they're not in the same class; they're in different classes,  
3 and as I noted earlier, a plan proponent can separately  
4 classify similar claims in different classes if there's a  
5 rational basis to do so.

6 There clearly is a rational basis to classify the  
7 U.S. differently here. The U.S. has different types of  
8 claims. It actually has secured claims, which are treated  
9 as part of one of the aspects of the plan settlement, and  
10 it's unsecured claims are different in particular with  
11 respect to the Sacklers. Unlike the claimants in Class 4,  
12 where the objecting states and the District of Columbia are  
13 classified, the United States has settled its civil claims  
14 with the Sacklers for a specific payment.

15 So clearly, the different rights of the United  
16 States and different treatment of the United States, which  
17 include as another part of the plan settlement, the waiver  
18 of \$1.7 billion of its super-priority administrative expense  
19 claim, which otherwise would be entitled to be paid ahead of  
20 any unsecured claim and any administrative expense claim  
21 under the abatement and NewCo provisions of the plan, which  
22 is for the benefit of Class 4 and Class 5 and, frankly, all  
23 of the creditors of the estate.

24 So those different rights and different treatment  
25 clearly support separation classification, without a doubt,

1       nor is any unfair discrimination argument available under  
2       Section 1129(b), the cramdown provision, because the class  
3       has accepted the plan and, therefore, the cramdown  
4       provisions don't apply.

5                  The State of West Virginia has filed a limited  
6       objection to the plan. It does not object to any aspect of  
7       the plan other than the allocation in Class 4 and the NOAT  
8       procedures of its share of the funds to be used in the NOAT  
9       Trust to abate the opioid epidemic. It raises this  
10      objection in two legal contexts. First, it contends that  
11      the plan is not being proposed in good faith because what it  
12      contends is the unfair allocations of the NOAT Trust.

13                  Under Section 1129(a)(3) of the Bankruptcy Code,  
14       the Court shall confirm a plan only if the plan proponent  
15       shows that it has, "Has been proposed in good faith and not  
16       by any means forbidden by law." The courts have fairly  
17       general consensus as to the meaning of proposed in good  
18       faith in this provision.

19                  All courts recognize a procedural interpretation;  
20       that is they look only to the proposal of the plan, not the  
21       terms of the plan, to see if the proposal itself was in good  
22       faith or, to the contrary, infected with improper conflicts  
23       of interest or self-dealing or the like. See, for example,  
24       Garvin v. Cook Investments NW, SPNWy, LLC, 922 1031, 1035  
25       (9th Cir. 2019).

1           As the Circuit Court noted there, a contrary  
2 interpretation that has a broader inquiry into general  
3 principles of good faith not only renders the words has been  
4 proposed meaningless, but makes other provisions of Section  
5 1129(a), which are specific and shouldn't be diluted by a  
6 good faith analysis, redundant. See 7 Collier on  
7 Bankruptcy, Paragraph 1129.02[3][a] 16th Edition 2021.

8           In addition to that view, however, other courts  
9 apply more of a totality of the circumstances analysis  
10 beyond the manner in which a plan is proposed and find that  
11 a plan is proposed in good faith if there is a reasonable  
12 likelihood that a plan will achieve a result consistent with  
13 the standards prescribed under the Code, that is the  
14 Bankruptcy Code. In re Peabody Energy Corp., 923 F.3d 918,  
15 927 (8th Cir. 2019).

16           Generally, the Second Circuit has clearly followed  
17 the first line, just focusing on the proposal of the plan.  
18 See In re Board of Directors of Telecom Argentina, S.A., 528  
19 F.3d 162, 174 (2d Cir. 2008) and Kane v. Johns-Manville  
20 Corp., 843 F.2d 636, 649 (2d Cir. 1998), and In re Koelbl  
21 751 F.2d 137, 139 (2d Cir. 1984).

22           On the other hand, courts in this district have,  
23 at times, followed a more expansive view, more of a totality  
24 of the circumstances surrounding the establishment of the  
25 plan and the like. Although even there, they focused

Page 65

1 largely on the proposal of the plan and the process of plan  
2 development. See In re Chemtura Corp., 439 B.R. 561, 608  
3 (Bankr. S.D.N.Y. 2010), In re Quigley Co., Inc., 437 B.R.  
4 102, 125 (Bankr. S.D.N.Y. 2010), In re Genco Shipping &  
5 Trading Limited, 513 B.R. 233, 261 (Bankr. S.D.N.Y.), and In  
6 re Breitburn Energy Partners LP, 582 B.R. 321, 352 (Bankr.  
7 S.D.N.Y. 2018).

8 However, courts in this district also have  
9 considered whether the plan, "... will achieve a result  
10 consistent with the standards prescribed under the  
11 Bankruptcy Code." See In re Ditech Holding Corp., 606 B.R.  
12 544, 578 (Bankr. S.D.N.Y. 2019) and the cases cited therein.  
13 And as recognized by Judge Garrity in that case, those  
14 policies or objectives include preserving going concerns and  
15 maximizing property available to satisfy creditors, giving  
16 debtors a fresh start in life, discouraging debtor  
17 misconduct, the expeditious liquidation of distribution of  
18 the bankruptcy estate to its creditors and achieving  
19 fundamental fairness and justice. Id.

20 Here, I have ample testimony by John Guard  
21 primarily and the representative of the State of Florida,  
22 that the allocation of the NOAT was the result of good faith  
23 arms' length negotiations by the various states during the  
24 mediation process. That testimony really is unassailable as  
25 to good faith. It is also clear that without no

Page 66

1 negotiations, which were difficult given the nature of the  
2 states, not as weighty of course, but equally reflecting  
3 concerns underlying the compromise behind the constitution;  
4 you have small states, you have large states, you have  
5 states that have been disproportionately affected by the  
6 opioid crisis, et cetera.

7 Without that agreement, the goals of the  
8 Bankruptcy Code would actually have been jeopardized that  
9 agreement, which in fact, the State of Washington recognizes  
10 being remarkable, and I too believe is remarkable to get 48  
11 states to agree upon an allocation mechanism for abatement  
12 procedures.

13 The failure to do so would have resulted in  
14 extensive litigation and arguably a fallback on distributing  
15 the value of the Debtors' estates, including their claims  
16 against the Sacklers and channeled third-party contributions  
17 or payments by the Sackler shareholder release parties, not  
18 to serve abatement purpose, but rather after extensive  
19 litigation cash payments, which I believe would be  
20 substantially reduced by the extensive litigation, to  
21 individual states for their general use in their treasuries  
22 in large part.

23 So I find that the NOAT allocation was, in fact,  
24 derived in good faith by arms' length and fair negotiations  
25 among the parties.

1           That testimony by Mr. Guard is highlighted or the  
2 cogency of that testimony is highlighted or was highlighted  
3 by the cross-examination of West Virginia's expert, Dr.  
4 Charles Cowan. He acknowledged his prior publications, that  
5 is publications written prior to his being retained by the  
6 State of West Virginia for the purpose of showing why West  
7 Virginia should receive a larger allocation of the NOAT  
8 under the plan. He recognized in those publications that  
9 other methods of allocating money towards abatement could be  
10 fair and reasonable as well, and that there was no specific  
11 formula for allocating states' recoveries to them.

12           It was clear from Mr. Guard's testimony that the  
13 proposal made by Mr. Cowan would not have been agreed to by  
14 any state other than West Virginia. It also is clear that  
15 that proposal or that methodology would have resulted in  
16 peculiar allocations of the NOAT Trust money for abatement;  
17 whereby, for example, states with substantially smaller  
18 populations, like Kentucky, would get substantially more of  
19 the funds than states with large populations like New York,  
20 or Washington would get a larger recovery than Texas, or  
21 West Virginia would get a larger recovery than Virginia,  
22 albeit that they're neighboring states.

23           And albeit that although certain states like  
24 Kentucky, like West Virginia are, in fact, ground zero in  
25 the opioid crisis, it is a national problem that requires

1 the exercise of extensive resources by every state where  
2 population is a legitimate measure, as well as the other  
3 factors taken into account in the NOAT allocation.

4 That allocation does, in certain ways, respect the  
5 rights of smaller states and take into account levels of  
6 intensity of harm. However, it also recognizes that the  
7 states report in some ways measures of intensity differently  
8 and, therefore, those measures are not necessarily accurate.  
9 For example, the evidence reflects that different states and  
10 their subdivisions report deaths from opioids differently  
11 than others, or record opioid disorders differently.

12 Given that, I conclude that the treatment of the  
13 states in Class 4, and through it by means of the trust  
14 procedures and allocations for the NOAT, are being treated  
15 substantially the same pursuant to an overall regime that  
16 has been negotiated at arms' length.

17 As discussed again by the Third Circuit in the  
18 W.R. Grace & Co. case that I previously cited, "Although  
19 neither the code nor the legislative history precisely  
20 defines the standards of equal treatment, courts have  
21 interpreted the 'same treatment requirement' to mean that  
22 all claimants in a class must have 'the same opportunity for  
23 recovery.'" See, for example, *In re Breitburn Energy*  
24 *Partners, LP*, 582 B.R. 358, 321 (Bankr. S.D.N.Y. 2018) and  
25 *In re Dana Corp.*, 412 B.R. 5362 (S.D.N.Y. 2008).

1           The W.R. Grace court then goes on to state or to  
2 cite *In re Central Medical Center, Inc.*, 122 B.R. 568, 575  
3 (Bankr. E.D. Mo. 1990), which concludes that a plan that  
4 subjects all members of the same class to the same process  
5 for claim payment is sufficient to satisfy the requirements  
6 of Section 1123(a)(4).

7           Finally, as the W.R. Grace court states, what  
8 matters then is not that claimants recover the same amount  
9 or that they have equal opportunity to recover on their  
10 claims; that's at 729 F.3d 327.

11           The court goes on to state, courts are also in  
12 agreement that Section 1123(a)(4), "... does not require  
13 precise equality, only approximately equality," citing *In re*  
14 *Quigley Company*, 377 B.R. 110, 116 (Bankr. S.D.N.Y. 2007).  
15 See also *In re Multiut Corp.*, 449 B.R. 334 (Bankr. N.D.  
16 Illinois, 2011).

17           It went on to find that -- that is the W.R. Grace  
18 case -- found that the consequences of how and when the  
19 class members would be paid didn't produce a substantive  
20 difference in a claimant's opportunity to recover and were  
21 the result of, among other things, a comprehensive mediation  
22 and arms' length negotiations.

23           I conclude the same here with regard to West  
24 Virginia's 1129(a)(4) arguments. I was not going to  
25 conclude the same as to another aspect of its argument. One

Page 70

1 of the adjustments made for the benefit of states with  
2 smaller populations like West Virginia in the NOAT  
3 procedures was a separate fund, so-called 1 percent fund,  
4 which all the states, other than the small states that would  
5 participate in the fund, were going to participate in, with  
6 the exception of California.

7 I did not see sufficient evidence on the record to  
8 justify California's being excepted from that contribution  
9 obligation, if you will, to the 1 percent fund. However,  
10 California has agreed, since the discussion on the record  
11 during the confirmation hearing, to change its view and to  
12 participate in the 1 percent fund. Therefore, the one  
13 aspect of West Virginia's objection that I was going to  
14 grant has effectively been granted by the agreement of  
15 California that I've just described.

16 Mr. Guest made it clear that all of the states  
17 recognized the huge impact that the opioid crisis has had on  
18 states like West Virginia and had tried to take that into  
19 account in negotiating the NOAT allocation. I too recognize  
20 that impact, but I believe that given the arms' length  
21 nature of the negotiation and the acceptable range of West  
22 Virginia's treatment even within the writings acknowledged  
23 by Professor Cowan, I conclude that its objection under  
24 Section 1129(a)(4) should be denied.

25 The remaining objections to the plan, other than

1 the objections based upon the plan's third-party release and  
2 injunction provisions and the plan settlement with the  
3 Sacklers and their related entities, have been asserted by a  
4 number of pro se parties, that is parties who were not  
5 represented by counsel.

6 I will go through these, which I believe are  
7 properly viewed in roughly four different categories.  
8 First, Ms. Butler Frank, Ms. Villeneuve, Mr. Cobb, and Mr.  
9 Wright have all stated in one form or another that the plan  
10 should not give the Sackler family, "... immunity from  
11 criminal charges." I completely agree, as does the plan.  
12 The plan does not provide a release of criminal conduct.  
13 That is crystal clear in the plan and always has been.

14 It is I think understandable that a person who is  
15 not a lawyer and looks at this case from afar through one  
16 form of the media or other may have reached a different  
17 conclusion; in part, that is because either through  
18 ignorance or choice, the plan has been described as  
19 providing "immunity" to the Sacklers. Immunity suggests  
20 clearly immunity from criminal charges; that's how one  
21 generally thinks of the word immunity. It simply does not  
22 do that. It couldn't do it and it doesn't.

23 It's important for those who should now know  
24 better, whether they are reporters, law professors, or  
25 members of congress, to be careful how they use their words

1       in this context. At a minimum, it reflects that they do not  
2       understand this case. It also, if they really do know  
3       better, is irresponsible and, frankly, also cruel to those  
4       whom they mislead.

5                 If anyone that is obtaining a civil release under  
6       this plan has engaged in criminal activity, either before or  
7       during this case, they are not relieved of the consequences  
8       of that. If any prosecutor wants to pursue such a claim  
9       against the release parties, they can.

10               Ms. Graham, Mr. Normile, Mr. Beois (ph), I hope  
11       I'm pronouncing that right, Ms. Willis, Ms. Ecke, Mr. West,  
12       and Ms. Farash have all in one form or another contended  
13       that it is improper or unfair for the plan to provide only  
14       the \$700 to \$750 million for individual personal injury  
15       claimants, while the bulk of the recovery goes to, as one of  
16       the objectors stated, wealthy states, hospitals, school  
17       districts, ratepayers, et cetera.

18               I have said more than once during this case,  
19       including to Ms. Ecke who testified during the confirmation  
20       hearing, that one cannot put a price on a human life or an  
21       injury such as opioid addiction, and yet, that's what courts  
22       do with respect to personal injuries. They take into  
23       account a number of factors, which are relevant legally,  
24       including potential defenses or dilution of the claim and  
25       causation. The amount that courts reach is rarely, in terms

1       of dollars, sufficient compensation. That is particularly  
2       the case where the wrongdoer is insolvent.

3                 I did not have any specific valuation of personal  
4       injury claims in this case. What I do have is a lengthy and  
5       difficult arms' length mediation, led by two of the best  
6       mediators not only in the United States but in the world,  
7       Messrs. Feinberg and Phillips. They are, I believe, in no  
8       way beholden to any type of claimant here or sympathetic  
9       unduly or disproportionately to any type of claimant here.

10               Mr. Feinberg, for example, has the incredibly  
11       difficult job of working out by dealing with victims and  
12       their families the proper allocation of the 9/11 fund. Both  
13       of them have dealt with personal injury claims extensively,  
14       and I believe the reason they do that is because they are as  
15       sympathetic, if not more so, to individual victims as they  
16       are to states, hospitals, and other entities.

17               The people representing the personal injury  
18       claimants in that mediation were some of the most effective  
19       personal injury lawyers, again, in the world, and by  
20       effective, I include within that category aggressive. I  
21       believe that, as set forth in the mediators' report, their  
22       negotiations were at arms' length and in good faith.

23               I also recognize from the declaration by Jayne  
24       Conroy, who is one of those personal injury lawyers and, in  
25       fact, with her colleagues probably the main lawyer to, over

1 the last more than decade, pursue Purdue and the Sacklers on  
2 behalf of personal injury claimants. Because of that dogged  
3 pursuit, she obtained a settlement for her clients, roughly  
4 1,100 personal injury claimants, albeit many years ago.

5 She described them in her declaration as those who  
6 could tie their injury to a prescription, and I took away  
7 from it probably the holders who had the most likely chance  
8 in a litigation of obtaining a recovery, notwithstanding all  
9 of the arguments that the defendants would throw back at  
10 them.

11 After deducting a reasonable contingency fee from  
12 that settlement, I believe on average the recovery -- and I  
13 don't know how the recovery was divided, but just doing the  
14 math from the aggregate amount minus a reasonable  
15 contingency fee -- was approximately \$13,500 per person.

16 I have the declarations of Deborah Greenspan,  
17 Peter Weinberger, Gary Gotto, and Ms. Conroy all laying out  
18 what they believe was the hard-fought litigation process and  
19 negotiation process for the settlement embodied in the plan  
20 for personal injury claimants.

21 Ms. Greenspan also details the procedures under  
22 the personal injury trust for efficiently, but consistent  
23 with the burden to show a claim, to fix the amount of  
24 personal injury claims and obtain a distribution. Her  
25 declaration was uncontroverted and is eloquent in describing

1 a trust procedure mechanism that minimizes the difficulty  
2 and cost of presenting a claim for personal injury, while  
3 maintaining a sufficient degree of rigor over the burden of  
4 proof to ensure as much of that money can go directly to  
5 personal injury creditors instead of further to lawyers.

6 I also have the declaration of Michael Atkinson on  
7 behalf of the Official Unsecured Creditors' Committee, which  
8 attaches the committee's letter in support of the plan and  
9 recognizes the committee's role in balancing the interests of  
10 personal injury creditors with the states that also assert  
11 claims, and strongly supports confirmation of the plan as a  
12 balance of those interests.

13 The plan vote, which was approximately 97 percent  
14 of the personal injury class in favor of the plan, strongly  
15 argues that the members of that class support the plan and  
16 the fairness, albeit only in this setting where one  
17 allocates money from a limited pot based not on a non-legal  
18 view of the value of a human life or a person's health, but  
19 based upon the likelihood of such claims recovering in a  
20 contested setting and a, I believe, successful resolution of  
21 that under the plan that provides for early monies out to  
22 personal injury creditors ahead of the states and fair  
23 procedures that make it relatively easy, though preserving  
24 the burden of proof, to obtain a recovery.

25 The next set of objections were raised by Ms.

1 McGaha, who also was a witness at confirmation, and Ms.  
2 VomSaal. Both of these people have very legitimate  
3 concerns, as do all of the objectors, although as I said  
4 before, I believe the first group of objectors have been  
5 misled into thinking that the plan provides for release of  
6 any criminal conduct.

7 Ms. McGaha and Ms. VomSaal question why NewCo  
8 under the plan will continue to sell opioids in any form.  
9 Ms. McGaha also recommends certain measures that could be  
10 viewed as abatement measures, such as different disclosures  
11 regarding long-term opioids or the banning of long-term  
12 opioids, changes in packaging and the like.

13 I believe strongly that every constituency in this  
14 case that has had a say on this issue has wanted to ensure  
15 that the lawful production and sale of this dangerous  
16 product be not only lawful, but conducted in a way that is  
17 cautious, subject to layers of oversight, and informed by  
18 the public interest at every step. That is the purpose of  
19 the provisions of the plan dealing with NewCo. The NewCo  
20 governance covenants, the NewCo monitor, the NewCo operating  
21 agreement and the NewCo operating injunction. All of these  
22 things, from the start of this case, were a primary focus of  
23 the Official Unsecured Creditors Committee, which is  
24 composed of victims only. There are no financial creditors  
25 in this case. The Committee consists entirely of victims.

1           They have also been a focus, since the start of  
2 this case, of all of the states and political subdivisions,  
3 and I believe soon after the start of this case, of the  
4 other institutional creditors like hospitals.

5           The Debtors have not, since before the start of  
6 this case, had the Sacklers play any role whatsoever in  
7 their management. And so the Debtors, too, have been  
8 focused and volunteered, at the start of this case, an  
9 injunction pertaining to their sale legally of these  
10 products.

11           Those measures are described in Mr. Lowne's  
12 declaration as well as the fact declaration of Mr. DelConte.  
13 They were also discussed in the Michael Atkinson declaration  
14 and the attached letter from the Creditors Committee, and  
15 they are reflected again in the provisions of the plan that  
16 I've just described.

17           The Bankruptcy Code does not require this but, in  
18 keeping with the broad determination of 1129(a)(3) good  
19 faith requirement, the parties in interest in this case have  
20 required it, and I have encouraged them to do so. So that  
21 at this point, I believe that the measures that I have just  
22 described will set a standard not only for this company but  
23 for other companies that manufacture and distribution these  
24 products which are legal yet dangerous.

25           With these well-thought out provisions, it is hard

1 to imagine how any other company that engaged in this  
2 business or in the distribution of these products wouldn't  
3 also believe that it was not only the right thing to do but  
4 also in their interest to imitate them. They're not being  
5 imposed by a government; they're being imposed by this plan  
6 with the input of state governments and the federal  
7 government and, again, not only should serve as a model but  
8 a warning to similar companies to take extra care than is  
9 required by the FDA or Congress or state law or be held up  
10 against this model in the future and be found lacking if  
11 they did not at least take the level of care set forth in  
12 this model of governance.

13                 The abatement programs themselves are the subject  
14 of substantial, again, unrebuted testimony, including by  
15 Gautam Gowrisankaran, Dr. Rahul Gupta, as well as, as far as  
16 the distribution procedures and abatement activities,  
17 William Legier and Gayle Galan and, of course, the abatement  
18 initiatives have the heavy input of the states and non-state  
19 governmental entities. To have reached agreement on these  
20 abatement metrics and mechanisms, again, is an incredible  
21 achievement given the strong views that various parties have  
22 as to what is proper as far as abatement is concerned.

23                 Mr. Gowrisankaran's testimony, again, is unrefuted  
24 and I believe cogent that there is a clear multiplier effect  
25 of dedicating the bulk of the Debtor's value, including

1       their recovery from the Sackler, to abatement programs as  
2       opposed to individual payments to be used perhaps for  
3       abatement but not necessarily so.

4                  The foregoing testimony also shows, as do the  
5       abatement metrics, that the plan sets forth abatement  
6       metrics and procedures that take into account developments  
7       over time and learning over time as to what works and what  
8       doesn't. Indeed, they encourage that learning because one  
9       feature of the plan is the requirement for periodic reports  
10      as to the use of the funds for abatement, which can then be  
11      checked to see what works and what doesn't, and what can be  
12      reallocated to what works.

13                 The abatement procedures and metrics also include  
14      a consultative process that takes into account the views of  
15      communities and those within the community in a reasonable  
16      and fair way.

17                 The objections that I just described really don't  
18      lay out, and I didn't expect them to lay out because, again,  
19      they're pro se objectors, a legal basis for the objection.  
20      I believe, though, that the proper prism within which to  
21      analyze the objection legally is, again, the good faith test  
22      under 1129(a)(3).

23                 Given all that I've just described, it is very  
24      clear to me that the use of the bulk of the Debtors' value  
25      for abatement purposes is clearly in good faith and, in

Page 80

1 fact, highly beneficial to those who have individual claims  
2 against the Debtors as well as the communities and states  
3 that also have claims.

4 It is also clear to me that those procedures, both  
5 for abatement and for the governance of NewCo, are  
6 facilitating not only the purposes of the Bankruptcy Code,  
7 but the broader good. To suggest otherwise, to suggest that  
8 somehow this was an ill-cooked and cooked in secret stew,  
9 which I don't believe the two objectors are contending but  
10 it has been suggested publicly by those who I don't think  
11 have been following this case, or if they have, should know  
12 better, is simply incorrect and dramatically so.

13 What this plan does within the constraints of  
14 federal law, including the regulations and guidance from the  
15 FDA is go beyond that law where that can be done to ensure,  
16 A, the safety or the safe use of the Debtors' products,  
17 including the development of products that would assist  
18 those who are trying to recover from opioid use disorder and  
19 provide cheap and accessible prevention mechanisms for  
20 overdoses, and to provide for well-thought through,  
21 consensually agreed upon by a wide spectrum of parties and  
22 appropriately flexible abatement measures. Frankly, it  
23 would be worse than embarrassing, it would again be  
24 irresponsible and cruel to suggest otherwise.

25 The last objection by certain of the pro se

1 objectors that I've already named have contended that the  
2 monetary civil settlement under the plan with the Sackler  
3 shareholder parties and their related entities is unfair and  
4 should not be approved. Of course, in this plan there is a  
5 civil settlement with the shareholder parties and their  
6 related entities. That is a true statement. That  
7 settlement would resolve the Debtors' claims against those  
8 parties, i.e., a Debtor settlement of Debtor claims, and  
9 would resolve certain related third-party claims based  
10 largely on the same conduct behind the Debtor claims or  
11 certain of the Debtor claims.

12 It is extremely important and my main task,  
13 notwithstanding that we're now at 1 p.m., to consider  
14 whether that settlement is proper under the Bankruptcy Code,  
15 both of the Debtors' claims and the related settlement and  
16 third-party release and injunction of claims against the  
17 settling parties.

18 One point should be addressed first with regard to  
19 this inquiry, and I'm addressing it first in part because it  
20 has been raised by the pro se objectors and I believe raised  
21 because of what they have read or heard in the media and  
22 perhaps from others.

23 Some of them assert that this Chapter 11 plan and  
24 the settlement in it is the Sacklers' plan, or perhaps  
25 artfully, some may mislead them by suggesting that, as it is

1 proposed by the Debtors and the Debtors are the controlling  
2 shareholders -- at least they have the shares that would  
3 enable them to control the Debtors if that was not foregone  
4 by the Sacklers -- the Debtors' plan is, in a sense, the  
5 Sacklers' plan, i.e., a plan for the Sacklers' benefit.

6 While I will separately examine whether the  
7 settlement with the Sacklers is fair, one thing should be  
8 absolutely clear and is clear, and anyone who says to the  
9 contrary is, again, simply misleading the public, this is  
10 not the Sacklers' plan. The Debtors are not the Sacklers'  
11 company anymore. The Sacklers own the Debtors, but the  
12 Debtors are not run by the Sacklers in any way and have not  
13 been since before the start of this case. There is,  
14 literally, no evidence to the contrary -- none. Although it  
15 was not necessary, because the record was clear, the  
16 examiner appointed in this case confirmed that.

17 More importantly, and as recognized by the  
18 examiner and as recognized by anyone who paid any attention  
19 to this case from its start, this case was driven as much  
20 by, if not more than, the Official Unsecured Creditors  
21 Committee and the other creditors in the case who formed  
22 well-represented ad hoc committees led primarily by the 48  
23 states that have claims against the Debtors, two states  
24 having previously settled those claims before the start of  
25 the bankruptcy case; led also by groups that had within them

1       very strong representatives of public non-state governmental  
2       entities and Native American tribes.

3                 These creditors are, in essence, the only  
4       creditors of this Debtor. And from the start of this case,  
5       all of this Debtor's assets were dedicated to them. They  
6       wanted more than anything else to obtain as much value, not  
7       only from the Debtors and the process of agreeing on a  
8       Chapter 11 plan, but also from the Sacklers, who were viewed  
9       by all as the other side, the opposition, the potential  
10      defendants, the payors. And it is crystal clear that the  
11      Unsecured Creditors Committee, the 48 states and territories  
12      and the governmental entities were completely, utterly  
13      independent and focused on that goal. They were facilitated  
14      in achieving that goal by the two incredibly experienced and  
15      effective mediators that I've already described.

16                 And further, even after a largely successful  
17      mediation of the claims against the Sacklers, both direct by  
18      the Debtors and third-party claims by others, which resulted  
19      from the mediators' own proposal as to what would be a fair  
20      settlement, which was accepted by all except the so-called  
21      nonconsenting state group of 24 states and the District of  
22      Columbia.

23                 I directed another mediation with another one of  
24      the best mediators, not only in the U.S. but the world, my  
25      colleague Judge Chapman. Based on her mediation report, she

1 had over 140 contacts discussions -- and knowing Judge  
2 Chapman, I believe they were in depth, serious and well-  
3 informed -- before the mediation date set to see whether the  
4 nonconsenting states could reach agreement with the  
5 Sacklers.

6 That day turned into a 27-hour day. Judge  
7 Chapman, like Mr. Feinberg and former Judge Phillips, is a  
8 successful mediator because she does not browbeat people.  
9 She could not browbeat these states. That is crystal clear.

10 She's a successful mediator because she points out  
11 the risks and rewards of not reaching a settlement and  
12 reaching a settlement, recognizing that the process is  
13 always consensual and not coercive. 15 of the states who  
14 had previously fought the Sackler settlement and the plan  
15 tooth and nail agreed to a modified settlement as a result  
16 of that mediation.

17 I'm saying this not to support or show my support  
18 for the underlying settlement but to reflect again or to  
19 illustrate again the arm's length negotiation here and the  
20 fact that this is not a Sackler plan but a plan agreed to by  
21 80 percent of the states and well over 95 percent of the  
22 non-state governments, and actively supported by the  
23 Unsecured Creditors Committee, notwithstanding the  
24 incredible harm that the Debtors' products have inflicted on  
25 them.

1                   Bitterness over the outcome of this case is  
2 completely understandable. Where there has been such pain  
3 inflicted, one cannot help but be bitter. But one also has  
4 to look at the process and the issues for their -- in light  
5 of the alternatives and with a clear analysis of the risks  
6 and rewards of continued litigation versus the settlement  
7 set forth in the plan. And it's that process to which I'll  
8 turn next.

9                   As I noted, the Chapter 11 plan puts together two  
10 settlements related to the Sacklers. It provides for the  
11 settlement of the estate's claims -- and when I say the  
12 estate's claims, that means the Debtors' claims against the  
13 Sacklers for the benefit of their creditors -- and the  
14 estates have substantial claims against the Sacklers.  
15 Indeed, one can argue that those claims are the main claims  
16 against the Sacklers.

17                  In addition, the plan provides for a settlement of  
18 certain third-party claims, claims by others or that could  
19 be asserted by others, against the Sacklers and their  
20 related parties, i.e., the shareholder released parties  
21 under the plan.

22                  I will focus first on the settlement of the  
23 estate's claims, but I will note before focusing on those  
24 claims and the settlement proposed of them that the plan is  
25 not just a plan that settles the estate's claims against the

1 Sacklers and third-parties' claims that are related to those  
2 claims against the Sacklers. In fact, the plan contains  
3 several interrelated settlements with those settlements and  
4 would not be achievable if any of those settlements fell  
5 away.

6 They include a settlement of the complex  
7 allocation between, on the one hand, individual personal  
8 injury claims and claims by governmental entities, a subject  
9 of months of mediation that I've already discussed. They  
10 also include a settlement of the allocation of value among  
11 the public creditors, the states, and nongovernmental  
12 entities and Native American tribes.

13 Remarkably, all of those parties agreed to use the  
14 value they would receive for abatement purposes, the  
15 benefits of which I've already described. Other than the  
16 personal injury claimants and the NAS claimants, the other  
17 private claimants have also agreed, remarkably, to use the  
18 value they will receive for abatement purposes, not to go  
19 into their private coffers for whatever use they want to  
20 have, such as, for example, buying a new x-ray machine.

21 In addition, during the case, the Debtors settled  
22 both civil and criminal claims of the federal government and  
23 the plan encompasses those settlements. Importantly,  
24 including the agreement by the federal government to release  
25 \$1.7 of its \$2 billion super-priority claim for the benefit

1 of the other public creditors and abatements if, as is the  
2 case under this plan, the plan meets the requirements of the  
3 DOJ settlement as far as setting up an abatement structure  
4 and the corporate governance and other public purposes that  
5 I described for NewCo.

6 All of those things hinge on at least the amount  
7 of money coming to the Debtors from the Debtors and the  
8 third-party settlements of the Sackler claims. Without the  
9 \$4.325 billion being paid by the Sacklers, those other  
10 settlements would not happen. The record testimony is clear  
11 on that. The private public settlement would fall apart and  
12 it's in my view assured that the abatement settlement would  
13 fall apart.

14 That still begs the question, however, is the  
15 \$4.325 billion, coupled with the other agreements that the  
16 Sacklers have made, including with respect to the dedication  
17 of the two charities worth approximately \$175 million for  
18 abatement purposes, their agreement to a resolution on  
19 naming rights, their agreement not to engage in any opioid-  
20 related business with the Debtors, or any business with  
21 NewCo, and their agreement to exit their foreign companies  
22 within a prescribed time sufficient? Obviously, more money  
23 from the Sacklers would not unravel the settlements that  
24 I've already described. However, at least that amount of  
25 money is required.

1                   Settlements and compromises of Debtors' claims,  
2 these claims asserted or assertable by the Debtors' estates,  
3 are a normal part of the process of reorganization in  
4 bankruptcy and are strongly favored over litigation. This  
5 is in part for the obvious reason that in bankruptcy, the  
6 pie is not large enough to feed everyone in full.  
7 Therefore, the cost delay factor in deciding whether to  
8 approve a settlement or not is even greater than it is in a  
9 non-bankruptcy context. While, obviously, an assessment of  
10 the merits of the claims that are being settled has much the  
11 same weight, the risks of losing a piece of the pie where  
12 there's not enough to go around are also greater in a  
13 bankruptcy context.

14                  As far as the proposition that such settlements in  
15 compromise are a normal part of the process in Chapter 11 or  
16 in reorganization, see Protective Committee for Independent  
17 Stockholders of TMT Trailer Ferry, F-E-R-R-Y, Inc. v.  
18 Anderson, 390 U.S. 414-424 (1968). In determining whether  
19 to approve a settlement in compromise, a Bankruptcy Court  
20 must make an informed independent judgment that the  
21 settlement is "fair and equitable" and "in the best  
22 interests of the estate." In re Drexel Burnham Lambert  
23 Group, Inc., 134 B.R. 493, 496 (Bankr. S.D.N.Y. 1991),  
24 quoting TMT Trailer Ferry, 390 U.S., 424.

25                  Based on the framework laid out in the TMT Trailer

1      Ferry Case, courts in this circuit have long considered the  
2      following factors in evaluating settlements:

3                (1) The probability of success, should the issues  
4      be litigated, versus the present and future benefits of the  
5      settlement, without the delay and expense of litigation and  
6      subsequent appeals;

7                (2) the likelihood of complex and protracted  
8      litigation if the settlement is not approved, with its  
9      attended expense, inconvenience and delay, including the  
10     difficulty on collecting on the judgment;

11               (3) the interests of the creditors, including the  
12     degree to which creditors support the proposed settlement;

13               (4) whether other interested parties support the  
14     settlement;

15               (5) the competency and experience of counsel  
16     supporting, and the experience and knowledge of the court in  
17     reviewing the settlement;

18               (6) the nature and breadth of the releases to be  
19     obtained by officers and directors or other insiders; and

20               (7) the extent to which the settlement is the product of  
21     arms-length bargaining. See generally, *In re Iridium  
22     Operating LLC*, 478 F.3d 452, 464-466 (2d Cir. 2007).

23               That case also noted that whether a settlement's  
24     distribution plan complies with the Bankruptcy Code's  
25     priority scheme will often be the dispositive factor. That

Page 90

1       is, unless the remaining factors weigh heavily in favor of  
2       approving a settlement, if the settlement varies materially,  
3       the priority scheme of the Bankruptcy Code, a court should  
4       normally not approve it. That issue does not apply here.

5                 As I have noted in dealing with the objections to  
6       classification and treatment under the plan, the plan does  
7       not vary the priority scheme of the Bankruptcy Code or  
8       otherwise violate the classification requirements and  
9       treatment within a class of the Bankruptcy Code.

10               I will address these factors, or these elements of  
11      evaluating a settlement in a different order than laid out  
12      by the courts following the Iridium case. I will note that  
13      they are applied even in context where part of the  
14      settlement involves not the simple trade of money for a  
15      claim, but also performance outcomes, such as ceasing to be  
16      involved with a product or the agreement by the Sacklers to  
17      the document depository and the like. See, for example,  
18      Global Vision Products v. Truesdell, 2009 WL 2170253  
19      (S.D.N.Y. 2009).

20               As I've noted, this settlement was clearly and  
21      unmistakably the product of arm's-length bargaining  
22      conducted in two separate mediations by capable mediators,  
23      preceded by the most extensive discovery process, not only  
24      I, but I believe any court in bankruptcy has ever seen.

25               Again, the record is unrefuted as to the

1       incredible extent of discovery taken, not only by the  
2       Debtors through their Independent Committee, which again,  
3       truly was independent, but also the Official Unsecured  
4       Creditors Committee in consultation with the non-consenting  
5       states group and the other states and governmental entities,  
6       in fact anyone who wanted to sign the standard nondisclosure  
7       agreement to permit the discovery to proceed without  
8       extensive discovery fights over confidentiality.

9                  From the very first day of the case, I made it  
10      clear, as recognized also by Chief Justice Judge McMahon in  
11      her affirmance of the injunction that I entered, that the  
12      Sackler parties and their owned and related entities would  
13      have to provide discovery far beyond the normal fishing  
14      expedition discovery in bankruptcy cases in order to have  
15      the benefit of the temporary injunction or any final stay,  
16      and that is exactly what happened.

17                  I did not have to decide one discovery dispute on  
18      the record. I had numerous chambers conferences with  
19      parties over discovery disputes, which led to, I believe in  
20      every instance, additional discovery. There are  
21      approximately 10 million documents that have been produced,  
22      comprising almost -- well, it's just unfathomable the number  
23      of pages.

24                  Consistent with the next factor, which is the  
25      competency and experience of counsel supporting the

1 settlement, not only were the Debtors represented by  
2 extremely capable counsel that assisted the Independent  
3 Committee in discovering the Debtors' claims against the  
4 Sacklers, which are laid out in the uncontroverted  
5 declarations of Richard Collura and Mark Rule, and then  
6 commented on by John Dubel on behalf of the Board of Special  
7 Committee, the Debtors identified over \$11 billion of  
8 potentially avoidable transfers to various Sackler  
9 individuals or entities.

10                 The Creditors Committee did its own discovery,  
11 including vetting that extensive exercise. They also  
12 thoroughly investigated estate claims that are not in the  
13 nature of avoidance claims avoiding transfers, but claims,  
14 for example, piercing the corporate veil and breach of  
15 fiduciary duty, which would belong to the estate, here,  
16 I believe, because at least as far as the record reflects,  
17 the basis for such claims would be a generalized injury to  
18 the estate and all creditors, rather than to individual  
19 creditors. See, for example, St. Paul Fire and Marine  
20 Insurance Company v. PepsiCo, Inc., 884 F.2d 688, 704-705  
21 (2d Cir. 1989), and Board of Trustees of Teamsters Local 683  
22 Pension Fund v. Foodtown Inc., 296 F.3d 164, 169 (3d Cir.  
23 2002).

24                 So, again, any statement that there has not been  
25 transparency in this case, at least to those who negotiated

Page 93

1 the settlement, who again in essence represented all of the  
2 people who are creditors in this case, the objecting states,  
3 the other governmental entities, the consenting states and  
4 the Creditors Committee, is simply incorrect, and  
5 particularly as far as an Objecting State is concerned, it's  
6 just a lie, flat-out a lie. They know what they had access  
7 to. They know how extensive it was.

8                 The only argument they can make -- and I will  
9 address that in the future -- is that the public hasn't had  
10 access to it. But, of course, if it had not been conducted  
11 the way it was by the public's representatives, including  
12 the very states that make this argument, there would not  
13 have been that level of discovery, because it is not the  
14 type of discovery that the public would ever have access to,  
15 including in a trial or in, for example, an examiner's  
16 examination.

17                 Factors 3 and 4 are closely related to each other,  
18 the interests of creditors, including the degree to which  
19 creditors support the proposed settlement, and four, whether  
20 other interested parties support the settlement. And again,  
21 I'm talking solely about the settlement of the Debtors  
22 estate's claims.

23                 Given the plan vote, given the support by the  
24 Official Unsecured Creditors Committee, 80 percent of the  
25 states, 95 percent-plus of the other governmental entities,

1 and apparently in this context, the United States --  
2 although one can't really make heads or tails of the U.S.  
3 Trustee's objection on this point -- it is clear that the  
4 creditor body by an overwhelming margin supports the  
5 settlement, again, after being fully informed in making that  
6 decision, or having their representatives be fully informed  
7 in making that decision.

8                 The second issue, or the second factor, which now  
9 is next to last, includes an assessment of cost first, i.e.,  
10 the likelihood of complex and contracted litigation if the  
11 settlement is not approved, and secondly, the difficulty in  
12 collecting on a judgment. I'll focus on that latter point  
13 first, I'll focus on that latter part first, i.e., the  
14 difficulty of collecting on a judgment.

15                 As is often the case, parties who support a  
16 settlement, such as here, the Creditors Committee, the  
17 consenting states, the non-consenting states who now  
18 consent, and the Debtors are careful not to lay out all of  
19 the reasons that they support the settlement, which usually  
20 go to an assessment of the merits, but generally cover legal  
21 issues, including legal entitlements to collection, because  
22 they are legitimately worried that either, A, the settlement  
23 won't be approved, in which case they're actually going to  
24 have to run the risk of having given their opponent a  
25 roadmap as to the weaknesses in their case and the strengths

1       in the opponents' case, and a roadmap as to their assessment  
2       of the difficulty of collection.

3                 And of course, the settlement in itself does not  
4       require -- because then it would not be a settlement -- a  
5       full litigation on the merits or collection. I mean, that's  
6       simply not, obviously, the purpose of a settlement.

7       Instead, the circuit has directed the Court to make an  
8       informed judgment based on the record before it, taking into  
9       account these factors.

10               At one level -- and again, it is the level that  
11       has been reported in the media by some -- one would think  
12       that this factor clearly weighs against the settlement. The  
13       record, I believe, is uncontested that the Sacklers, as a  
14       family, are today worth -- again, in the aggregate --  
15       approximately \$11 billion. Clearly, one could collect, even  
16       after the cost of collection, the lawyers' fees, the tracing  
17       fees, et cetera, and the discovery has largely been taken as  
18       to where the assets are. And the preliminary injunction  
19       precluded the Sacklers from transferring their assets  
20       further away. So, one would think that one could collect  
21       something approaching significantly more than \$4.325  
22       billion, plus the money that the Sacklers are paying under  
23       their own settlement to the DOJ for settlement of civil  
24       claims, plus the access to, or the dedication of, the \$175  
25       million worth of charitable assets, which adds up to

1 something north of \$4.5 billion, plus the DOJ settlement.

2 On the other hand, the Sacklers are not a simple  
3 set of defendants. They are a large family, divided into  
4 two sides, Side A and B, with eight pods or groups of family  
5 members within those sides or divisions. Most of the scores  
6 of Sacklers never served on Purdue's Board.

7 I had testimony from three who at one time or  
8 another were officers of Purdue, i.e., in management. Their  
9 assets are widely scattered and primarily held offshore, or  
10 by people who themselves live outside of the territorial  
11 jurisdiction of the United States and might not have  
12 subjected themselves sufficiently to the U.S. for a U.S.  
13 court to get personal jurisdiction over them.

14 I want to be clear. I am not deciding that issue.  
15 Nor am I deciding whether the trusts that most of the  
16 Sackler Family wealth are held in are in fact spendthrift  
17 trusts that could not be invaded to collect a judgment,  
18 including in a possible bankruptcy case, if the beneficiary  
19 of that trust were forced into bankruptcy by a pursuit of  
20 litigation by the Debtors or, frankly, by a third-party.

21 A beneficial interest in a valid spendthrift trust  
22 may be excluded from a debtor's bankruptcy estate.

23 *Patterson v. Shumate*, 504 U.S. 753, 757 (1992); 11 U.S.C.,  
24 Section 541(c)(2), which states, a restriction on the  
25 transfer of beneficial interests of the debt in a trust that

1       is enforceable under applicable non-bankruptcy law is  
2       enforceable in a case under the Bankruptcy Code. That  
3       section forces one to look at applicable non-bankruptcy law,  
4       which may or not be the law of the United States with regard  
5       to these foreign trusts, most of which are established under  
6       the law of the Bailiwick of Jersey.

7                  I have the expert declaration of Michael Cushing,  
8       an expert in the law of the Bailiwick of Jersey and the  
9       enforceability of judgments, that is, U.S. judgments,  
10      against trusts organized under that law. There is a  
11      substantial issue in my mind as to the collectability under  
12      that law, even of a fraudulent transfer claim, although, it  
13      is clear to me that under the law of various jurisdictions  
14      in the U.S., including New York, that a transfer that is  
15      fraudulent to creditors into a spendthrift trust is  
16      recoverable for the benefit of creditors. See Securities  
17      Investor Protection Corp. v. Bernard L. Madoff Investment  
18      Securities LLC, 2021 WL 787604, at \*10 (S.D.N.Y. 2021), and  
19      In re BLMIS, 476 B.R. 715, 728, n.3 (S.D.N.Y. 2012).

20                  In addition, U.S. law does not recognize self-  
21      settled trusts that in name only are spendthrift trusts.  
22      But again, most of the trusts here are governed by Jersey,  
23      that is the Bailiwick of Jersey, law, which according to Mr.  
24      Cushing's declaration, which is unopposed on these points,  
25      strongly suggests that a different result might apply when

1 one would go to enforce a judgment obtained in the U.S. for  
2 a fraudulent transfer, or on an in personam debt to the  
3 trust in the Bailiwick of Jersey, through the Viscount of  
4 Jersey and the Jersey court.

5 Again, I'm not deciding those issues, but given  
6 the record before me, and given the agreement of  
7 substantially all of the parties in this case to reach a  
8 settlement of the estate's claims with the Sacklers, and the  
9 due diligence which they have undertaken, which has not been  
10 undertaken by the U.S. Trustee, one could infer that the  
11 issue of collection is at least a real one.

12 In addition, Iridium factor number two also takes  
13 into account, or requires the Court to take into account,  
14 the cost and delay of continued litigation, as opposed to  
15 the benefits of a settlement. The cost and delay here, I  
16 believe, on an uncontroverted basis for not approving the  
17 settlement would be substantial. Those costs are not just  
18 the direct costs of pursuing the litigation, the discovery  
19 for which has largely occurred, but the litigation pursuit,  
20 including a trial, would have to take place.

21 But in addition to that, there is the cost  
22 resulting from the unraveling of the other settlements that  
23 I have just described. And I believe that the record here  
24 strongly reflects that if the settlement of the Debtors'  
25 claims, the estate's claims, were not approved, the parties

1 would be back essentially to square one on allocating the  
2 value of the Debtors' estate, including any ultimate  
3 recovery on the estate's litigation claims.

4 In that regard, the litigation analysis reflected  
5 in Mr. DelConte's second declaration, which contains a  
6 liquidation analysis, is instructive. Under the most  
7 realistic scenarios, there would be literally no recovery by  
8 unsecured creditors from the estate in a Chapter 7  
9 liquidation, which is, I believe, the most likely result if  
10 this settlement were not approved, given the unraveling of  
11 the heavily negotiated and intricately woven compromises in  
12 the plan.

13 One reason for that is that in a liquidation  
14 scenario, the United States' agreement to forego \$1.7  
15 billion of its \$2 billion superpriority administrative claim  
16 for the benefit of the abatement program by the states would  
17 disappear. The United States would be entitled to all of  
18 that money first.

19 That leaves the last factor, which really in most  
20 settlements is the most, or depending on the difficulty of  
21 collection, one of the most important factors, namely a  
22 comparison of the results of litigation as against the  
23 results of a settlement.

24 As I noted, as with the issue of difficulty of  
25 collection, the parties supporting the settlement have been

1 careful not to lay out their views of the defenses that the  
2 Sacklers released parties would have to the estate's claims.  
3 And of course, because it is a settlement, there's been no  
4 trial on the merits of those claims.

5 On the other hand, I do have reports as to the  
6 nature of the transfers, when they occurred, what they were,  
7 and who they were to, and also some testimony as to the  
8 involvement of some of the Sacklers in the running of  
9 Purdue, which is relevant to the estate's claims, separate  
10 and apart from avoidance of fraudulent transfers, namely  
11 claims for piercing the corporate veil, alter-ego liability,  
12 breach of fiduciary duty, and the like.

13 I also have an extensive submission by both sides  
14 of the Sackler Family, or submissions by both sides of the  
15 Sackler Family, that do state the defenses they would argue.  
16 I heard the testimony of four members of the Sackler Family,  
17 two from Side A and two from Side B, and that too is  
18 informed by views on the merits here, although that  
19 testimony primarily went not to fraudulent transfer claims  
20 but to other claims related to their role in Purdue's  
21 governance, and the decisions made that have led to  
22 trillions of dollars of claims being filed against Purdue  
23 and a criminal plea and settlement by Purdue with the  
24 Department of Justice from 2020.

25 Again, I want to be clear, I'm not making a

1 decision anywhere close to being on the merits. This  
2 assessment is not, therefore, in any way something that  
3 could serve as collateral estoppel or res judicata. Nor do  
4 I particularly have any fondness for the Sacklers or  
5 sympathy for them.

6 I will note the following, however. The Sackler  
7 Family, 77, I believe, of them, received comprehensive  
8 releases from almost all of the states in 2007. In  
9 addition, 2007 is about as far back under any theory that  
10 one could look to avoid a fraudulent transfer.

11 So one would, both for estate claims and for  
12 third-party claims, be looking at primarily, if not  
13 exclusively, actions by the Sacklers or transfers that took  
14 place after 2007. Over 40 percent of those transfers went  
15 to pay taxes, including in large amounts to certain of the  
16 objecting states or the states that continue to object to  
17 the plan. The fact that it went to pay taxes did obviously  
18 relieve the Sacklers of an obligation.

19 I do, however, have testimony from Jennifer  
20 Blouin, that if the partnership structure of Purdue was not  
21 in place with the taxes running through the Sacklers, Purdue  
22 itself would be liable for them and, therefore, arguably  
23 received fair consideration for the payment.

24 The Sacklers would also argue that after the 2007  
25 settlement with the federal government and the states, the

1 U.S. Department of Health and Human Services entered into a  
2 five-year corporate integrity agreement with the company to  
3 monitor its compliance with federal healthcare law, which  
4 took place from July 31, 2007 to July 30, 2012. And that  
5 agreement is available as part of the record, but it can  
6 also be obtained as a matter of judicial notice.

7 In 2015, well after Purdue implemented a "Abuse  
8 and Diversion Detection program", the New York Attorney  
9 General required that program to be subject to annual  
10 reviews from 2015 to 2018. They would argue that that  
11 compliance, both with the OIG monitor and those reviews,  
12 detailed no improper actions by Purdue, and therefore, there  
13 couldn't be any improper actions by the Board.

14 In addition, they would argue that solely as Board  
15 members, they would not have a fiduciary duty for actions of  
16 Purdue and its management that were improper or unlawful,  
17 unless they were aware of them. Of course, it would be very  
18 much a triable issue as to whether they were in fact aware  
19 of them. Those who were not on the Board, of course, would  
20 say that law didn't even apply to them.

21 They would also argue the applicability of various  
22 statutes of limitations to the fraudulent transfer claims  
23 that would limit the reach-back by the estate to most of the  
24 claims. The estate would have arguments to the contrary,  
25 based on rights that unique creditors like the federal

1 government would have to serve as a "Golden Creditor" under  
2 Section 544 of the Bankruptcy Code.

3 The Sacklers would also argue that following the  
4 2007 settlement, Purdue paid manageable amounts in  
5 settlements between 2008 and 2019 of litigation claims  
6 related to opioid matters or other litigations that would  
7 affect the solvency of Purdue, and that as recently as 2016,  
8 Purdue was receiving ratings from rating agencies that  
9 indicated that it was financially healthy, and therefore,  
10 they would contend, except for the last year or so before  
11 the bankruptcy filing date, were only a very small amount,  
12 relatively speaking, of the roughly \$11 billion of transfers  
13 that the Debtors' estate would contend are avoidable took  
14 place. Purdue was not insolvent, and one could not impute  
15 intentional fraudulent transfer liability to it.

16 Of course, there are statements in the record to  
17 suggest that the Sacklers were very aware of the risk of  
18 litigation. A trial might well also establish, as some of  
19 the testimony that I heard from the Sacklers that as a  
20 closely held company, Purdue was run more than by a normal  
21 board, by its Board and shareholders, i.e., the Sacklers,  
22 and that notwithstanding the denials by the Sacklers who  
23 testified, at least those who were on the Board, and perhaps  
24 others who with the votes of their family members could  
25 control ultimately the Board, were aware of the harms of

1       Purdue's product and should not have rested or taken comfort  
2       in either of the FDA's sign-off on various labels and  
3       marketing initiatives or the reports by the Office of the  
4       Inspector General or the auditor of the Abuse and Diversion  
5       Detection program.

6                  I believe that standing in a vacuum on the merits,  
7       the claims that would be achieved, the ultimate judgment  
8       that would be achieved on the estate's claims and related  
9       third-party claims that are being settled under the plan,  
10      would be higher than the amount that the Sacklers are  
11      contributing. But I do not believe that they would be  
12      higher after taking into account the catastrophic effect on  
13      recoveries that would result from pursuing those claims and  
14      unravelling the plan's intricate settlements. And as I said  
15      at the beginning of this analysis, there is also the issue  
16      of problems that would be faced in collection.

17                 This is a bitter result. B-I-T-T-E-R. It is  
18       incredibly frustrating that the law recognizes, albeit with  
19       some exceptions, although fairly narrow, the enforceability  
20       of spendthrift trusts. It is incredibly frustrating that  
21       people can send their money offshore to offshore spendthrift  
22       trusts that may not recognize U.S. law.

23                 It is incredibly frustrating that the vast size of  
24       the claims against Purdue and the vast number of claimants  
25       creates the need for the intricate plan settlements, since

1 at least in some measure I believe that at least some of the  
2 Sackler parties also have liability for those claims. But  
3 those things are all facts that anyone who is a fiduciary  
4 for the creditor body would have to recognize, and that I  
5 recognize.

6 A settlement is not evaluated in a vacuum as a  
7 wish list. It takes an agreement, which means that it  
8 generally, if properly negotiated -- and I believe that's  
9 clearly the case here -- reflects the underlying strengths  
10 and weaknesses of the parties' legal position and issues of  
11 collection; not moral issues, or how someone might see moral  
12 issues.

13 It's not enough to say we need more, or I don't  
14 care whether we don't get anything; I'd rather see it all  
15 burned up. One has to really focus on the consequences of  
16 those two approaches.

17 I must say that when I approached the middle stage  
18 of this case before the mediation, I would have expected a  
19 higher settlement. And frankly, anyone with half a brain  
20 would know that when I directed a second mediation,  
21 courageously undertaken by Judge Chapman, I expected a  
22 higher settlement. Nevertheless, extremely well-represented  
23 and dedicated parties on the Plaintiffs' side, knowing far  
24 more than I have laid out today of the strengths and  
25 weaknesses of the case and collection and the like, agreed

1 to this settlement.

2 I am not prepared, given all of the record before  
3 me, to risk that agreement. I do not have the ability to  
4 impose what I would like on the parties. The Judge is not  
5 given that power. I can only turn down the request for  
6 approval of it. Given this record, I'm not prepared to do  
7 that, as much as I would like to impose a higher recovery.

8 I will note, as far as the bona fides of the  
9 settlement is concerned, and notwithstanding my  
10 reservations, 100 percent of this formerly closely-held  
11 company -- that is, closely held by the Sacklers -- is under  
12 this plan taken away from them and devoted to abating  
13 opioids' ill effects in one way or another.

14 In addition, the amount being paid is to my  
15 knowledge the highest amount any shareholder group has paid  
16 for these types of claims. Throughout the history of  
17 litigation involving Purdue, the Sacklers themselves were  
18 not targets, except for the relatively modest settlements  
19 that they entered into with the states in 2007 until very  
20 recently. The entire negotiation process in this context  
21 has magnified that target on them, on that focus on them.

22 While I would wish that the amount would be  
23 higher, as I believe everyone on the other side in this  
24 case, including the Debtors does, the settlement itself  
25 fairly reflects the standards laid out by the Supreme Court

1       in the Second Circuit in evaluating a settlement. And  
2       clearly, both it and the process in arriving at it has not  
3       been in any shape or form a free ride for the Sacklers or  
4       enabled them to "get away with it."

5           If what people mean by getting away with it is  
6       getting relieved of criminal liability, that is obviously  
7       not the case. And I believe, given all of the factors that  
8       I've outlined, they are paying a substantial, and under the  
9       circumstances of this case, approvable amount, as well as  
10      the other aspects of the settlement that they are agreeing  
11      to.

12           I will note, finally, that as alluded to this  
13       morning by the Debtors' counsel, they have agreed also to  
14       enforcement mechanisms that are quite rigorous as part of  
15       the settlement agreement, so that the collection problems  
16       that I had addressed, or the potential collection problems,  
17       are far lessened by the settlement if they don't live up to  
18       it, including as to the ability to hide behind foreign  
19       spendthrift trusts.

20           So, to the extent that objectors have objected to  
21       the merits of the settlement of the Debtors' estate's  
22       claims, I will overrule those objections.

23           That leaves the last issue for determination,  
24       which is the most complex issue. It is in large measure  
25       informed by the analysis that I've just gone through, which

1 as I'm sure you'll note, included not just an assessment of  
2 the estate's claims, when considering the alternative to the  
3 estate settlement, but also the merits of third-party claims  
4 closely related to the estate's claims, and particularly  
5 focused on claims beyond fraudulent transfer avoidance.

6 There are multiple grounds for the objecting  
7 parties' objection to the non-consensual release under the  
8 plan and injunction of their third-party claims against the  
9 shareholder settling parties.

10 I will note that certain of those objections went  
11 to issues that I agreed with the objectors over, namely the  
12 breadth of the releases in the plan. The current form of  
13 the plan has substantially narrowed those releases. The  
14 settling shareholder parties, unless, of course, they  
15 default on the settlement, are now being released only of  
16 opioid-related claims of third-parties, and I will go into  
17 in detail what that release involves.

18 Other released parties are released as well under  
19 the plan, but it is clear, given the revised definitions,  
20 including those that came in overnight, that those releases  
21 deal with a release of claims that are truly derivative of  
22 the Debtors and simply prevent third-parties from going  
23 after those parties through the back door, only to later  
24 learn that those claims had been released by the Debtors  
25 under the plan.

1           The first objection to the third-party release of  
2 the Sacklers is a jurisdictional one, i.e., the contention  
3 that the Court lacks jurisdiction -- subject matter  
4 jurisdiction, to impose the release of the shareholder  
5 released parties on those who do not consent to it and who  
6 have, in fact, objected to it.

7           It's axiomatic that federal courts, including the  
8 bankruptcy courts, have only the jurisdiction given to them  
9 and no more. Under 28 U.S.C. Section 1334(b), however, the  
10 bankruptcy courts, through the reference from the district  
11 courts in 28 U.S.C. 157, do have broad jurisdiction with  
12 respect to matters that are related to the Debtors' property  
13 and case.

14           This includes the power to enjoin claims of third-  
15 parties that have a conceivable effect on the Debtors'  
16 estate. As noted by the Supreme Court in Celotex Corp. v.  
17 Edwards, which involved a preliminary injunction of a third-  
18 party's right to pursue a third-party claim, 15 U.S. 300,  
19 307-308 (1995). "Congress did not delineate the scope of  
20 'related to' jurisdiction, but its choice of words suggests  
21 a grant of some breadth."

22           In this circuit, "A civil proceeding is related to  
23 Title XI case if the action's outcome might have any  
24 conceivable effect on the bankrupt estate." See SPV OSUS,  
25 Limited v. UBS AG, 882 F.3d 333, 339-40, citing Parmalat

1 Capital Finance, Limited v. Bank of America Corp., 639 F.3d  
2 572, 579 (2d Cir. 2001).

3 That jurisdiction is not limitless, id., but it  
4 does extend to where there is a legal effect, even through  
5 an indemnification agreement or contribution rights,  
6 including by, as set forth in the SPV OSUS case, someone who  
7 has not, despite those rights, filed a proof of claim in the  
8 case. The Second Circuit has extensively dealt with this  
9 issue in the context of this Court's jurisdiction over  
10 actions to stay or prevent the assertion of third-party  
11 claims in bankruptcy cases, the most recent version of  
12 which, which the objectors largely ignored, if not entirely  
13 ignored, is the Second Circuit's decision in *In re Quigley*  
14 Company, 676 F.3d 45 (2d Cir. 2012).

15 The court there went through a lengthy analysis of  
16 its jurisdiction -- bankruptcy jurisdiction, that is -- to  
17 preclude the pursuit of a third-party claim, including an  
18 analysis of Section 1334 of the Judicial Code which provides  
19 for original jurisdiction in the district courts, which is  
20 then referred under section -- 28 U.S.C. Section 157 for,  
21 "all cases under Title XI," and "all civil proceedings  
22 arising under Title XI or arising in or related to cases  
23 under Title XI."

24 The dispute in *Quigley* reflected some arguable  
25 confusion in the Second Circuit over the extent of this

1 jurisdiction when dealing with an injunction of third-party  
2 claims, including under a plan, that was arguably injected  
3 by the circuit in a case that the objectors do extensively  
4 cite, *In re Johns-Manville Corp.*, 517 F.3d 52 (2d Cir.  
5 2008), reversed sub nom *Travelers Indemnity Company v.*  
6 *Bailey*, 557 U.S. 137 (2009), which the Circuit in the  
7 Quigley case refers to as Manville III.

8 In that case, the Circuit had left the impression  
9 that the only source for jurisdiction to enter a course of  
10 release of third-party claims and an injunction to support  
11 it is where the claim would be a derivative claim. I'll  
12 come back to that point in a moment.

13 The point was somewhat cleared up in the next  
14 Manville case, referred to as Manville IV in the Quigley  
15 opinion, appearing at 600 F.3d 152. But the Quigley case  
16 took it head on. In that case, a party who had brought a  
17 third-party claim against an insurer, notwithstanding the  
18 Manville Chapter 11 plan's injunction of claims against  
19 insurers, asserting that the bankruptcy court did not have  
20 jurisdiction to enjoin such a claim because it alleged a  
21 violation of an independent legal duty owed by the  
22 defendant, a third-party, rather than claims that are  
23 "derivative."

24 The Circuit disagreed that that was the limitation  
25 on jurisdiction imposed by it in Manville III, 676 F.3d at

1       54. The Circuit went on to say, because the third-party's  
2       mistake as to the nature of the jurisdictional inquiry under  
3       28 U.S.C. 1534(b) stems from a misunderstanding of our  
4       caselaw's treatment of derivative liability in the context  
5       of bankruptcy jurisdiction, we discuss our previous cases  
6       addressing this subject in some detail.

7                  It then goes on to state, "After analyzing  
8       Manville I, the MacArthur Company v. Johns-Manville Corp.  
9       case at 837 F.2d 89, that there was no independent  
10      requirement of a derivative claims for the exercise of  
11      jurisdiction. Rather, the claim was based upon the effect  
12      of the third-party claim on the estate."

13                 The Circuit then went on to state, "Manville III  
14      did not work a change in our jurisprudence. After Manville  
15      II, as before, a bankruptcy court has jurisdiction to enjoin  
16      third-party non-Debtor claims that directly affect the res  
17      of the bankruptcy estate.

18                 "As in MacArthur, the salience of Manville III's  
19      inquiry as to whether Travelers' ability was derivative of  
20      the Debtor's rights and liabilities was that, in the facts  
21      and circumstances of Manville III, cases alleging derivative  
22      liability would affect the res of the bankruptcy estate,  
23      whereas, cases alleging non-derivative liability would not.

24                 "However, it did not impose a requirement that an  
25      action must both directly affect the estate and be

1 derivative of the Debtors' rights and liabilities for  
2 bankruptcy jurisdiction over the action to exist." 676 at  
3 56 through 57.

4 It then further discussed the Manville IV case and  
5 then stated, "It thus appears that our case, from our  
6 caselaw, that while we have treated whether a suit seeks to  
7 impose derivative liability as a helpful way to assess  
8 whether it has the potential to affect the bankruptcy res,  
9 the touchstone for bankruptcy jurisdiction remains 'whether  
10 its outcome might have any conceivable effect on the  
11 bankruptcy estate.'"

12 This test has been -- I'm continuing now, because  
13 I'm omitting the citation. "This test has been almost  
14 universally adopted by our sister circuit," citing the  
15 Celotex Corp. that I previously cited, collected case,  
16 "which in some instances have found bankruptcy jurisdiction  
17 to exist over non-derivative claims against third-parties.  
18 See -- citing In re Stonebridge Technologies, Inc., 430 F.3d  
19 260, 263-64 and 267 (5th Cir. 2005) and In re Dogpatch USA,  
20 Inc., 810 F.2d 782, 786 (8th Cir. 1987).

21 And then stating, "A suit against a third-party  
22 alleging liability not derivative of the Debtors' conduct  
23 but that nevertheless poses the specter of direct impact on  
24 the res of the bankrupt estate may just as surely impair the  
25 bankruptcy court's ability to make a fair distribution of

1 the bankrupt's assets as a third-party suit alleging  
2 derivative liability.

3 "Accordingly, we conclude that where litigation of  
4 the third-party suits against the third-party would almost  
5 certainly result in the drawing down of insurance policies  
6 that are part of the bankruptcy estate of the Debtor, the  
7 exercise of bankruptcy jurisdiction to enjoin these suits  
8 was appropriate."

9 I conclude here, based upon the adverse effect of  
10 the third-party claims that are covered by the shareholder  
11 release, as I will further narrow it, do affect the res of  
12 the estate, including insurance rights, and rights to  
13 indemnification and the Debtors' ability to pursue its own  
14 claims.

15 Certain of the objectors cite a pre-Bankruptcy  
16 Code, pre-28 U.S.C. Section 1334 case from the Supreme  
17 Court, Callaway v. Benton, 336 U.S. 132 (1948), for the  
18 proposition that there is no such jurisdiction. Of course,  
19 Section 1334 is broader than the jurisdictional mandate that  
20 applied at that time in that case.

21 "It is rather a dramatic change to the  
22 jurisdictional scheme from the bankruptcy laws administered  
23 before that time and is meant to be interpreted broadly, as  
24 laid out by the caselaw, as well as commentators. See  
25 Howard C. Buschman, III and Sean P. Madden, "Power and

1 Propriety of Bankruptcy Court Intervention and Actions  
2 Between Non-debtors," 47 Business Lawyer 913, 914-19, May  
3 1992. See also In re Dow Corning Corp., 255 B.R. 445 (E.D.  
4 Mich. 2002), vacated on other grounds, Class Five Nevada  
5 Claimants V. Dow Corning Corp. (In re Dow Corning Corp.) 280  
6 F.3d 848 (6th Cir. 2002).

7 One example of the Court's recognition of the  
8 breadth of bankruptcy jurisdiction under the Bankruptcy Code  
9 in 28 U.S.C. Section 1334, although not directly on point,  
10 is United States v. Energy Resources Company in 495 U.S. 545  
11 (1990). Although, again, the Court must go through the  
12 analysis gone through by Quigley and other courts to find  
13 the necessary conceivable effect on the Debtors' estate for  
14 there to be subject matter jurisdiction, although I have  
15 done that here.

16 I will note that another case that the objectors  
17 rely on, In re Aegean Marine Petroleum Network, Inc., 599  
18 B.R. 717 (Bankr. SDNY 2019) as questioning the ability of  
19 the bankruptcy court to ever impose a release of a third-  
20 party claim as a jurisdictional matter, which case cites the  
21 Callaway v. Benton case, and does not cite the Quigley case  
22 because -- well, I don't know why, maybe it wasn't raised to  
23 a judge -- nevertheless acknowledges that where there is "a  
24 huge overlap between claims that a debtor is making against  
25 its parent company and various other parties were making

1 against that non-debtor company or where there is a direct  
2 connection between the asset or the claims of the debtor and  
3 the contributions that were being made for both resolving  
4 those claims and claims basically aligned with those claims,  
5 those estate claims, such a release would be appropriate,"  
6 id. at 727.

7 So, I conclude that there is, depending on the  
8 nature of the release, jurisdiction to enter an order  
9 enforcing a plan that has such a third-party claim release  
10 in it and that that jurisdiction is based upon the effect of  
11 the claims on the estate, rather than that the claims are  
12 "derivative." Although, if they are derivative, that is a  
13 good sign that they affect the estate. Again, see Quigley,  
14 676 F.3d at 52.

15 The objectors have also raised the objection that  
16 the release of third-party claims is a violation of due  
17 process under the Constitution. There are really two  
18 aspects to this objection. The first is one that the courts  
19 in this circuit do not accept, which is that such a release  
20 is an adjudication of the claim. It is not. It is part of  
21 the settlement of the claim that channels the settlement  
22 funds to the estate. See *Manville I*, 837 F.2d 89, 91-92 (2d  
23 Cir. 1988) and *In re Kirwan Offices, S.a.R.L., Lynch v.*  
24 *Lapidem, Limited*, 592 B.R. 489, 504-505.

25 See also *In re Millennium Lab Holdings, II, LLC*,

1       575 B.R. 252, 273 (Bankr. D. Del. 2017), affirmed 591 B.R.  
2       559 (D. Del. 2018), affirmed 945 F.3d 126 (3d Cir. 2019),  
3       cert. denied, 140 S. Ct. 2085 (2020). "An order confirming  
4       the plan with releases does not rule on the merits of the  
5       state law claims" -- or in this case, third-party claims --  
6       "being released."

7                  The other aspect of the due process objection goes  
8       to the notice that was provided with respect to the release.  
9       It is now clear, under the plan, that only holders of claims  
10      against the Debtor or Debtors are being released under the  
11      third-party shareholder release, and it is clear from the  
12      factual record that holders of claims received, in my view,  
13      due process notice, not only of the bankruptcy case, but of  
14      the plan's intention to provide a broad release of third-  
15      party claims against the shareholders and their related  
16      entities related to the Debtors as a whole.

17                  Indeed, at that time, with that notice, including  
18      the simple form notice that went out, the release was far  
19      broader than it is today. To argue that because it was more  
20      complicated then, because it was broader, is somehow a  
21      violation of due process, is equally incorrect. Ultimately,  
22      the issue of what process is due requires a court to ask  
23      whether in the connection with the confirmation hearing  
24      notice was sent that was reasonably calculated under all the  
25      circumstances to apprise interested parties of the pendency

1 of the request and afford them an opportunity to present  
2 their objections. *Mullane v. Central Hanover Bank and Trust*  
3 Company, 339 U.S. 306, 314 (1950).

4 See also *Elliot v. GM, LLC (In re Motors*  
5 *Liquidation Company)*, 829 F.3d 135, 158 (2d Cir. 2016). As  
6 noted by the Circuit in that case, this requirement  
7 obviously applies to bankruptcy proceedings and there,  
8 notice turns upon what is reasonably known by the Debtor or  
9 the party who would be affected by the action that the  
10 Debtor is taking.

11 It appears, to me, again, based upon Ms. Finegan's  
12 testimony, that holders of claims received sufficient notice  
13 of the release. Indeed, the broader assumption, I believe,  
14 fostered in the media is that the release even included  
15 criminal liability, which it doesn't. In fact, there were  
16 multiple objections to the plan, based upon the third-party  
17 release, and I conclude that compliance with the procedures  
18 laid out by Ms. Finegan and with the dictates of Bankruptcy  
19 Rule 3016, which requires bolding of the release language,  
20 is, in fact, sufficient.

21 See, for example, *In re Otero County Hospital*  
22 *Association, Inc.*, 551 B.R. 463, 471-2 and 478-79 (Bankr.  
23 D.N.M. 2016), *In re Retail Group, Inc.*, 2021 WL 2188929  
24 (Bankr. E.D. Va. May 28, 2021), and *Finova Capital Corp. v.*  
25 *Larson Pharmaceutical Inc.*, 2003 U.S. Dist. LEXIS 26681,

1 affirmed Finova Capital Corp. v. Larson Pharmacy, Inc. 425  
2 F. 3d, 1294 (11th Cir. 2005).

3 If someone can make the case after the fact that  
4 they did not receive the type of notice that Ms. Finegan  
5 testified to or the Debtor could be said to be aware of them  
6 actually, and therefore, given them improved notice, they  
7 would have the right to come back and argue that, as was the  
8 case in the Motors Liquidation Second Circuit opinion that  
9 I've cited.

10 But as far as the record before me is concerned, I  
11 find that the notice of the plan, confirmation hearing and  
12 request for approval of the third-party release satisfied  
13 due process.

14 The next objection to the third-party release  
15 provision in the plan pertaining to the shareholder  
16 settlement is an objection based on the power of the  
17 bankruptcy court to issue a final order confirming the plan  
18 as opposed to the bankruptcy court's jurisdiction to approve  
19 confirmation of the plan as it related to jurisdictional  
20 matter under 1334(b) and (a).

21 This issue was not addressed until fairly  
22 recently, but it has been addressed now at length in two  
23 opinions that I will simply refer to, because I believe the  
24 logic of these opinions cannot be improved upon as far as  
25 the bankruptcy court's authority in the context of a

1 concededly core proceeding, namely consideration of whether  
2 a Chapter 11 plan should be confirmed or not, which is the  
3 fundamentally central aspect of a Chapter 11 case, is, in  
4 fact, core, not only under 28 U.S.C. 157(b) but also core as  
5 a constitutional matter, being within the power  
6 traditionally exercised by bankruptcy courts to confirm  
7 plans and provide for the allocation of property of the  
8 estate.

9 So, I will refer parties to those opinions. See  
10 *In re Millennium Lab Holdings II, LLC*, 945 F.3d 126, cert.  
11 denied, *Loan Trust v. Millennium Lab Holdings*, 2020 U.S.  
12 LEXIS 2850 (May 26, 2020). I'd also commend, as did that  
13 court, the lower court opinions in that case, *Opt-Out  
Lenders v. Millennium Lab Holdings II, LLC*, 591 B.R. 559 (D.  
14 Del. 2018) and *In re Millennium Lab Holdings II, LLC*, 575  
15 B.R. 252 (Bankr. D. Del. 2017).

16 Also applicable here, I believe, directly on point  
17 is *Lynch v. Lapidem Limited*, *In re Kirwan Offices, S.a.R.L.*,  
18 492 B.R. 489 (SDNY 2018), affirmed *Lynch v. Mascini  
Holdings, Limited*, *In re Kirwan Office, S.R.L.* 2019 U.S.  
19 App. LEXIS 38068 (2d Cir. 2019).

20 I will note that in that affirmance, the Circuit  
21 did not reach the determination by former Chief Judge  
22 McMahon that this was a core -- this type of injunction is a  
23 core proceeding within a core proceeding, but I believe her

1 logic is correct and I believe that that logic would  
2 distinguish her statement in Dunaway v. Purdue Pharma, LP,  
3 619 B.R. 318, where she was dealing not with a Chapter 11  
4 plan, but rather a request for a preliminary injunction  
5 under 105 of the Bankruptcy Code, and in that context,  
6 concluded, I believe correctly, although she was reversing  
7 me on the point, that in that context, the court had only  
8 related-to jurisdiction because it was not a core matter  
9 like a plan. At least, that's how I read the decision.

10 That still leaves, however, the merits of the  
11 application of the court's jurisdiction and power to enter a  
12 final order to the third-party claim release an injunction  
13 in the plan pertaining to the shareholder release parties.

14 Most of the caselaw on this topic -- and there is  
15 a lot of caselaw at the circuit level as well as at the  
16 lower court level -- does not deal with the foregoing  
17 jurisdictional and Article III, Article I power issues. It  
18 deals with the statutory source for the claimed ability to  
19 enforce a coercive release of a third-party claim and the  
20 limited circumstances in which that would occur.

21 Every circuit at this point has an opinion on the  
22 issue. The clear majority of circuits supports the issuance  
23 of releases on a coercive basis of third-party claims under  
24 appropriate, narrow circumstances. Monarch Life Insurance  
25 Company v. Ropes and Gray, 65 F.3d 973, 984-85 (1st Cir.

Page 122

1       1995), Deutsche Bank A.G. v. Metromedia Fiber Network, Inc.  
2       (In re Metromedia Fiber Network, Inc.) 416 F.3d 136, 141  
3       (2d. Cir. 2005) and the cases cited therein from the Second  
4       Circuit, including the Manville case that I previously cited  
5       as well as the Drexel case which I'll cite in a moment.

6                  In re Millennium Lab Holdings II, LLC, which I've  
7       just cited from the Third Circuit, 945 F.3d 126, 133-40.  
8                  National Heritage Foundation, Inc. v. Highbourne Foundation,  
9       Inc., 760 F.3d 344, 350 (4th Cir. 2014), cert. denied, 135  
10      S. Ct. 961 (2015) and In re A.H. Robins Company, Inc., 880  
11      F.2d 694, 700-02 (4th Cir. 1989), In re Dow Corning Corp.,  
12      280 F.3d 648, 656-58 (2nd Cir. 2002), In re Airadigm  
13      Communications, Inc., 519 F.3d 640, 655-59 (7th Cir. 2008),  
14      and In re Ingersoll, Inc., 562 F.3d 856 (7th Cir. 2009),  
15      which held even that those who hold -- who don't hold a  
16      claim against the Debtors' estate can be bound by such a  
17      release under appropriate circumstances.

18                  In re Seaside Engineering and Surveying, Inc., 780  
19      F.3d 1070, 1076-79 (11th Cir. 2015) and In re AOV  
20      Industries, Inc., 792 F.2d 1140, 1153 (D.C. Cir. 1986).

21                  Three circuits are on record as holding that  
22      third-party releases are improper for a bankruptcy court or  
23      a court exercising bankruptcy jurisdiction to compel on a  
24      third-party. See Bank of New York Trust Company v. Official  
25      Unsecured Creditors Committee (In re Pacific Lumber

1 Company), 584 F.3d 229, 252 (5th Cir. 2009), Resorts  
2 International v. Lowenschuss (In re Lowenschuss), 67 F.3d  
3 1394, 1401-02 (9th Cir. 1995) and Lansing Diversified  
4 Properties-II v. First National Bank and Trust Company of  
5 Tulsa (In re Real Estate Fund, Inc.) 922 F.2d 592, 600 (10th  
6 Cir. 1990).

7 The following can be said about those three cases  
8 or the line of cases from those three courts. First, they  
9 are based fundamentally on a view that Section 524(e) of the  
10 Bankruptcy Code precludes the grant of such a release. That  
11 section says, "Except as provided in Subsection A3 of this  
12 Section" -- which is irrelevant here -- "discharge of a debt  
13 of the debtor does not affect the liability of any other  
14 entity on or the property of any other entity for such  
15 debt."

16 I will note in a moment that several of the cases,  
17 and I believe they employ the right analysis, including the  
18 Second Circuit's Manville I case, refute that view as a  
19 statutory matter. I will note further that in the Pacific  
20 Lumber case, the Fifth Circuit noted, "Non-debtor releases  
21 are most appropriate as a method to channel mass claims  
22 toward a specific pool of assets in a context of 'global  
23 settlements' of mass claims against the Debtors and co-  
24 liable parties," citing a similar observation by the Fifth  
25 circuit in Feld v. Zale Corp., 62 F.3d 746, 760-61 (5th Cir.

1 1995).

2 That quote was from 584 F.3d 252 from the Fifth  
3 Circuit's Pacific Lumber case. I will note further, that  
4 notwithstanding its reliance on Section 524(e) as precluding  
5 any release which the Circuit had in Lowenschuss and prior  
6 case such as In re American Hardwood, 885 F.2d 621 (9th Cir.  
7 1989), equated with a discharge. The circuit -- the Ninth  
8 Circuit held that a release of a third-party claim limited  
9 to actions taken in or related to the bankruptcy case could,  
10 in appropriate circumstances, be imposed in a plan, which  
11 undercuts the 524(e) analysis, since post-bankruptcy, pre-  
12 confirmation claims would be subject to the discharge as  
13 well. 961 F.3d 107 -- I'm sorry.

14 See Blixseth v. Credit Suisse, 961 F.3d 1074,  
15 1081-85 (9th Cir. 2020). I will note further that the  
16 Western Real Estate Fund case from the Tenth Circuit from  
17 1990 did recognize, as the American Hardwoods case also  
18 recognized, the propriety of imposing a temporary stay of  
19 third-party claims to "facilitate the reorganization  
20 process," one wonders why, if one is not bound by the 524(e)  
21 arguments, such a temporary stay could not become a  
22 permanent stay if the reorganization process would be  
23 appropriately facilitated over the objections of a small  
24 number of creditors who assert third-party claims.

25 In any event, that opinion, has been interpreted,

1 and, I believe, cogently, although fairly bravely, by a  
2 court in the Tenth Circuit as not standing for the  
3 proposition that 524(e) of the Bankruptcy Code clearly  
4 precludes all third-party releases and that Section 105(a)  
5 of the Bankruptcy Code and other applicable bankruptcy law  
6 might, in appropriate circumstances, justify a release of  
7 third-party claims. In re Midway Gold, 575 B.R. 475, 505  
8 (Bankr. D. Colo. 2017).

9 The argument upon which the three cases that I've  
10 just gone through at some length from the Fifth, Ninth, and  
11 Tenth Circuit, which go against the majority of cases  
12 dealing with third-party releases, relies upon a theory that  
13 Section 524(e)'s language, which I've quoted, precludes to  
14 grant a release as part of a settlement under a plan.

15 This view, I believe, is appropriately addressed  
16 and refuted by a number of courts, including the Airadigm  
17 Communications, Inc., 519 F.3d 640, and the Sixth Circuit in  
18 In re Dow Corning Corp., 280 F.3d 648 (2006).

19 It's also effectively refuted by the distinction  
20 made in the Manville and Lynch v. Lapidem cases that I  
21 previously cited, which distinguish a discharge from a  
22 settlement of claims.

23 It is also inconsistent with Section 524 itself;  
24 524(g) of the Bankruptcy Code specifically provides for  
25 certain third-party releases, if certain conditions are met

1       in a plan that deals with asbestos liabilities and a trust  
2       set up for asbestos liabilities, including the affirmative  
3       vote of the affected class in a super-majority of 75  
4       percent, which, as I've noted here, has been well exceeded.

5               But more importantly, Section 524(h) of the  
6       Bankruptcy Code recognizes that this provision, 524(g), does  
7       not mean that plans that were confirmed before the enactment  
8       of Section 524(g) are, in fact, unlawful. And indeed, the  
9       legislative history to the amendment makes that point,  
10      stating Section, at that point 111, but it became 524(h).

11               "Creates a rule of construction to make clear that  
12       the special rule being devised for the asbestos claim  
13       trust/injunction mechanism is not intended to alter any  
14       authority bankruptcy courts may already have to issue  
15       injunctions in connection with a plan of reorganization.  
16       Indeed, Johns-Manville and UNR firmly believe that the court  
17       in their cases had full authority to approve the trust  
18       injunction mechanism, and other debtors in other industries  
19       are reportedly beginning to experiment with similar  
20       mechanisms.

21               "The Committee expresses no opinion as to how much  
22       authority a bankruptcy court may generally have under its  
23       traditional equitable powers to issue an enforceable  
24       injunction of this kind. The Committee has decided to  
25       provide explicit authority in the asbestos area because of

1 the singular, cumulative magnitude of the claims involved.  
2 How the new statutory mechanism works in the asbestos area  
3 may help the Committee judge whether the concept should be  
4 extended into other areas." 140 Cong. Rec. H-10752-01,  
5 appearing in 1994 WL 54573, (October 4, 1994).

6 Similar commentary appears in Senator Heflin's  
7 remarks appearing at 140 Cong. Rec. S14461-01, 1994 WL  
8 553390 at S14461 regarding the Bankruptcy Reform Act of  
9 1994, where Senator Heflin states, "Finally, Mr. President,  
10 with respect to the senator's specific question, this  
11 section applies to injunction in effect on or after the date  
12 of enactment."

13 What that means is, for any injunction that may  
14 have been issued under a court's authority under the code  
15 prior to enactment, such an injunction is afforded statutory  
16 permanence from the date of enactment forward, assuming that  
17 it otherwise meets the qualifying criteria described  
18 earlier.

19 It appears clear to me, therefore, under well-  
20 reasoned caselaw as well as the code itself that 524(e) is  
21 not an impediment to the court's -- statutory impediment,  
22 that is, to the court's issuance or enforcement of a third-  
23 party claim release in appropriate circumstances.

24 That raises the issue, however, what is the  
25 court's statutory or other source of power, which also has

Page 128

1 been discussed ably, I believe -- it's not really my  
2 position to comment one way or the other as to whether it's  
3 able or not, but it's been discussed thoroughly, I believe,  
4 and appropriately applied at the appellate level.

5 Again, see *In re Airadigm Communications, Inc.*,  
6 519 F.3d 640, 657 (7th Cir. 2008), where the Circuit after  
7 determining that Section 524(e) is not a bar to the grant of  
8 release, states, "The second related question dividing the  
9 circuits is whether Congress affirmatively gave the  
10 bankruptcy court the power to release third-parties from a  
11 creditor's claims without the creditor's consent, even if  
12 524(e) does not expressly preclude the releases."

13 "The bankruptcy applies the principle and rules of  
14 equity jurisprudence," *Pepper v. Litton*, 308 U.S. 295, 304  
15 (1939), and its equitable powers are traditionally broad,  
16 citing *United States v. Energy Resources Company, Inc.*, 495  
17 U.S. 545, 549 (1990).

18 "Section 105 of the Bankruptcy Code codifies this  
19 understanding of the bankruptcy court's powers by giving it  
20 the authority to effect any 'necessary or appropriate order  
21 to carry out the provisions of the Bankruptcy Code, and a  
22 bankruptcy court is also able to exercise these broad  
23 equitable powers within the plans of reorganizations  
24 themselves.'

25 "Section 1123(b)(6) of the Bankruptcy Code permits

1 a court to 'include any other appropriate provision not  
2 inconsistent with the applicable provisions of this title.'

3 In light of these provisions, we hold that this 'residual  
4 authority' permits the bankruptcy court to release third-  
5 parties from liability to participating creditors if the  
6 release is 'appropriate' and is not inconsistent with any  
7 provision of the Bankruptcy Code."

8 See also Class Five Nevada Claimants v. Dow  
9 Corning Corp. (In re Dow Corning Corp.) 280 F.3d 648, 656 -  
10 658.

11 I'll now turn to what types of claims can, in  
12 fact, be released under that power, a topic that, again,  
13 directs one back to the Second Circuit's Quigley case that I  
14 repeatedly cited, 676 F.3d 45.

15 In that case, the court extensively discussed the  
16 relation of its use of the term derivative claims to both  
17 the court's jurisdiction to impose a mandatory release of  
18 third-party claims and the court's power to do so, in  
19 appropriate circumstances.

20 The use of the term derivative claim which really,  
21 I believe began in the Manville III case, which appears at  
22 517 F.3d 56, is an unfortunate one. There is a widely  
23 accepted definition of the term, that is derivative claim,  
24 it's a claim that is asserting injury to the corporate  
25 entity and requesting relief that would go to the corporate

1 entity. See *Donahue v. Bulldog Investments, Gen. P'ship*,  
2 696 F.3d 170, 176 (2nd Cir. 2012).

3 The Circuit has spent an enormous amount of time  
4 and resources interpreting what I would refer to as true  
5 derivative claims, i.e. those that are really claims  
6 asserted by third-parties, but properly existing in the  
7 bankrupt's estate, and belonging to the estate. Much of  
8 this analysis occurred in the Madoff Case where various  
9 third-parties tried to pursue for their own benefit as  
10 opposed to for the benefit of the estate, claims against  
11 third-parties and the court determined whether, in fact,  
12 those claims were really claims of the third-party or claims  
13 brought by the third-party, that would have to be, if there  
14 was any recovery, part of the debtor's estate as opposed to  
15 collected only by the third-party.

16 In these types of cases, the court looks at  
17 whether the relief sought by the third-party claimant  
18 against the third-party defendant, are really secondary  
19 harms that flow primarily to the estate. See *Marshall v*  
20 *Picard*, (In re Bernard L. Madoff Investment Securities LLC,  
21 740 F.3d 81 (2nd Cir. 2014) and *Tronox Inc. v. Kerr McGee*  
22 Corp, (In re Tronox Inc.) 855 F.3d 84 (2nd Cir. 2016). They  
23 defend the right -- the strong bankruptcy policy to a  
24 weighable recovery from the debtor's estate, which is a  
25 concomitant requires that claims that purport to be

1 independent of the remedy for the debtor's estate, but are,  
2 in fact, arising from harm to the debtor, be for the  
3 debtor's benefit, and not the third-party's benefit.

4 This is the type of claim that is included within  
5 the non-opioid release for non-Sackler shareholder parties.  
6 That release, as defined in the non-opioid excluded claim  
7 definition, does not include, instead it excludes any cause  
8 of action that does not alleged, expressly or impliedly any  
9 liability that is derivative of any liability of any debtor  
10 or any other estates.

11 If, in fact, those types of claims were the only  
12 claims to be released, we would not be talking about a  
13 third-party claim release. We would be talking about a  
14 release that clarifies and protects the estate from backdoor  
15 attacks, through the assertion of purportedly third-party  
16 claims, that, in fact, are estate claims.

17 Instead, third-party releases, quite often,  
18 involve independent claims, at least independent as a legal  
19 basis, if not as a factual basis. See, for example *In re*  
20 *Drexel Burnham Lambert Group*, 960 F.2d 285 (1992). The  
21 claim asserted by the California Department of Toxic  
22 Substances Control against third-parties in California  
23 *Department of Toxic Substances Control v. Exide Holdings,*  
24 *Inc. (In re Exide Holdings, Inc.)* 2021 U.S. District LEXIS  
25 138478 (D. Del. July 26, 2021) and in *Cartalemi v. Karta*

1 Corp. (In Re Karta Corp) 342 B.R. 45 (S.D.N.Y. 2006).

2 The question is what sorts of independent legal  
3 claims are properly covered by a third-party injunction. On  
4 this point, as in so many others, the Circuits' opinion in  
5 the Quigley case, albeit in that it discusses liability  
6 under Section 524(g), provides real guidance.

7 In that case, the party relying upon a third-party  
8 release, an insurance company, argued that because the claim  
9 against it would not have arisen but for the debtor because  
10 the debtor distributed its products, it would be covered  
11 properly by the release. That third-party claimant said  
12 otherwise and in this instance, as opposed to in the  
13 jurisdictional argument, the Circuit agreed with the  
14 claimant.

15 The court concluded that the but-for test creates  
16 too much of an accidental nexus to the bankruptcy estate and  
17 that instead the third-party claim to be subject to the  
18 injunction must arise as a legal consequence of the debtors'  
19 conduct or the claims asserted against it such that that  
20 conduct must be a legal cause or a legally relevant factor  
21 to the third-party's alleged liability, 676 F.3d 45, 59-60.

22 This is a consistent theme throughout the case  
23 law, independent liability may be enjoined if it is  
24 dependent on the debtor's liability through conduct of the  
25 debtor. See Continental Casualty Company v. Carr, (In re WR

1 Grace and Company), 900 F.3d 126, 136.

2 As stated in the Kardi Corp. case, which I've  
3 previously cited, if there is an identity of interest in  
4 between the debtors and the non-debtor really sees with  
5 regard to the related conduct, which would not exist as a  
6 liability to the third-party, but for the debtor's conduct  
7 is the proper subject of a third-party injunction.

8 Similarly, the court in In re FirstEnergy  
9 Solutions Corp, 606 BR 720 (Bankr. N.D. Ohio), referred to  
10 an identity of interest with the debtor, and between the  
11 debtor and the third-party claimant, where the debtor is  
12 primarily liable and one can view the non-debtor parties as  
13 secondarily liable, is the relevant consideration.

14 So in construing the propriety of the Court's  
15 exercise of its power to impose a non-consensual third-party  
16 release, that type of relationship must underpin the  
17 release, otherwise the release would be too broad. It would  
18 release, for example, the claims based on a guarantee, which  
19 is a separate factual premise than the debtor's conduct. It  
20 would, for example, in this instance release a claim if one  
21 of the Sackler's negligently prescribed an opioid to  
22 someone, which clearly under the case law is guided by the  
23 Quigley case, would not be the proper subject of a third-  
24 party release.

25 So while I firmly believe that I have jurisdiction

1 and power under Article 1 and slash Article 3 of the  
2 dichotomy of the Constitution, and there is a sufficient  
3 source of that power in the Bankruptcy Code itself, in  
4 Sections 105 and 1123(a)(6), as well as in the Court's  
5 inherent equitable power, which has been recognized by  
6 bankruptcy scholars in this area, including and applying to  
7 third-party injunctions, claim injunctions and releases.  
8 See, for example Adam J. Levitin's article "Toward A Federal  
9 Common Law of Bankruptcy: Judicial Lawmaking in a Statutory  
10 Regime", 80 Am. Bankr. L.J. 1 (2006).

11 I believe that they, to the extent that one is not  
12 imposing a release of a truly derivative claim, the claim  
13 needs to be sufficiently bound up in the debtor's own  
14 actions, albeit that it's a separate independent legal claim  
15 that would be payable, if recoverable, to the third-party,  
16 as opposed to the debtor for the claim to be subject to the  
17 injunction.

18 In that regard, regardless whether I, in applying  
19 the standard, which I still have not yet gotten to, as to  
20 whether the third-party claim release is appropriate or not,  
21 would require that the shareholder releases in paragraph  
22 10.7(b), by the releasing parties, be further qualified than  
23 they now are. To apply where, again, following the guidance  
24 of the Quigley case, a debtor's conduct or the claims  
25 asserted against it or a legal cause or a legally relevant

1 factor to the cause of action against the shareholder  
2 released party, otherwise the release would improperly  
3 extend to, for example, the prescription example that I just  
4 gave.

5 On the other hand, having read the objecting  
6 states complaints against the Sacklers, which is noted not  
7 only by me, but by former Chief District Judge McMann in her  
8 Purdue opinion, essentially dovetailed with the objecting  
9 states' claims against the debtors. Those claims, that is,  
10 would be properly covered by the shareholder injunction.

11 As I said, that leaves still the issue of whether  
12 under the applicable standards and the facts of this case,  
13 the third-party releases should be imposed. Those standards  
14 vary among the circuits. In the Second Circuit, in the In  
15 Re Metromedia Fiber Network, Inc. case, 416 F.3d 136, (2d  
16 Cir. 2005), the circuit went through a number of  
17 circumstances where courts have exercised their power,  
18 including under Section 105 of the Bankruptcy Code, in  
19 furtherance of Section 1123(a)(6) and observed that courts  
20 have approved non-debtor releases when the estate receives  
21 substantial consideration, the enjoined claims would channel  
22 to a settlement fund, rather than extinguished. The  
23 enjoined claims would indirectly impact the debtors'  
24 reorganization by way of indemnity or contribution and the  
25 plan otherwise provided for the full payment of the enjoined

1 claims.

2                 The court went on to state, however, that this is  
3 not a matter of factors or prongs and further that no case  
4 has tolerated non-debtor releases absent the finding of  
5 circumstances that may be characterized as unique.

6 Recognizing further that such releases can be abused,  
7 particularly if they are for insiders, and need to be  
8 supported by sufficient findings by the Bankruptcy Court.

9                 The Third Circuit has a similar, but somewhat  
10 different, standard as laid out in the Exide case, where the  
11 court, with the citations omitted, but citing among other  
12 cases In re Continental Airlines, 203 F.3d 203 (3d Cir.  
13 2000), "To grant non-consensual releases a court must assess  
14 fairness, necessity to the reorganization and make specific  
15 actual findings to support these conclusions. These  
16 considerations might include whether 1) the non-consensual  
17 release is necessary to the success of the reorganization;  
18 the releasees have provided a critical financial  
19 contribution to the debtor's plan; the releasees' financial  
20 contribution is necessary to make the plan feasible and the  
21 release is fair to the non-consenting creditors, i.e.  
22 whether the non-consenting creditors received reasonable  
23 compensation in exchange for the release."

24                 Other circuits, including the Fourth and Eleventh  
25 Circuits and the Sixth Circuit have applied a multifactor

1 test as well that is in some ways similar; 1) There is an  
2 identity of interests between the debtor and the third-  
3 party, usually an indemnity relationship, such that a suit  
4 against the non-debtor is, in essence, a suit against the  
5 debtor or will deplete assets of the debtor's estate;

6 The non-debtor has contributed substantial assets  
7 to the reorganization;

8 The injunction is essential to reorganization –  
9 namely, the reorganization hinges on the debtor being free  
10 from indirect suits against parties who would have indemnity  
11 or contribution claims against the debtor;

12 The affected class or classes have voted  
13 overwhelmingly to accept the plan;

14 The plan provides a mechanism to pay for all, or  
15 substantially all, of the claims in the class or classes  
16 affected by the injunction;

17 The plan provides an opportunity for those  
18 claimants who choose not to settle to recover in full; and

19 The bankruptcy court made a record of specific  
20 factual findings that support its conclusions.

21 The Seventh Circuit has a very broad standard,  
22 although noting the -- the potential for abuse, whether it  
23 needs to be a finding that the release was an essential  
24 component of the plan, the fruit of long-term negotiations,  
25 and achieved by the exchange of good and valuable

1 consideration that will enable unsecured creditors to  
2 realize distribution in the case. In re Ingersoll, Inc.,  
3 562 F.3d 856 (7th Cir. 2009). Again, according to the  
4 Second Circuit, none of these factors is dispositive, but  
5 they do need to be considered in relation to the record, and  
6 they do need to be in the context of truly unique  
7 circumstances, where the release is necessary to the plan.

8 And certainly, the circumstances of this case are  
9 unique. Every Chapter 11 case has its own unique factors  
10 and difficulties, but I believe this case is the most  
11 complex case given the issues before the parties and  
12 ultimately the Court that I have ever seen and that has come  
13 before the courts under Chapter 11. At least, that view is  
14 confirmed by the parties to this case who were represented  
15 by extremely capable and experienced counsel.

16 It is also clear to me that, for the reasons I've  
17 already stated, the monetary contributions by the Sacklers  
18 are absolutely critical to the confirmation of this Chapter  
19 11 plan. Without them, I believe the plan would completely  
20 unravel, including the complex interrelated settlements that  
21 depend upon the amount of consideration being supplied, as  
22 well as the non-monetary consideration.

23 There's also the case that the plan has been  
24 overwhelmingly accepted, including by the classes affected  
25 by the third-party release, well above the 75 percent

1 supermajority in Section 524(g), and recognizing the proper  
2 classification scheme of the plan, over 95 percent of the  
3 creditors in classes where there are objections.

4 It is also clear to me that the amount being paid  
5 by the Sackler released parties or the shareholder released  
6 parties is, in fact, substantial. As I noted earlier, not  
7 only is it substantial in dollar terms, I believe it's the  
8 largest amount that shareholders have paid in such a context  
9 ever.

10 It has been argued that either in light of the  
11 aggregate amount of the claims or the amount of the  
12 Sacklers' wealth is not substantial. And I've considered  
13 that point carefully. As I noted, I would wish the amount  
14 would be even higher, however as a raw matter, it is  
15 undoubtedly a substantial amount. Moreover, and this  
16 highlights the distinction from this case, from one of the  
17 factors that I've cited, which is that the plan, "provides a  
18 mechanism to pay for all or substantially all of the class  
19 or classes affected by the injunction."

20 Clearly, that will not occur here as I've already  
21 found the United States' claim, for example, is receiving  
22 only under one percent of a recovery and it's fair to assume  
23 that other claims that have yet to be liquidated would come  
24 nowhere close to being paid in full.

25 On the other hand, there have been a number of

1 cases that have held that a full recovery is not necessary,  
2 and indeed, one would question why you really need a third-  
3 party release when you can project a full recovery anyway.

4 See *In re Fansteel Foundry Corp.*, 2018 Bankr. LEXIS 3309,  
5 (Bankr. S.D. Iowa Oct. 26, 2018) and *Behrmann v. National*  
6 *Heritage Foundation Inc.* 663 F.3rd 704 (4th Cir. 2011).

7 A more relevant consideration, I believe, is  
8 whether the plan in its third-party release provision is, in  
9 fact, fair, not just to the estate generally and all of the  
10 creditors in the estate, but also to those who are bearing  
11 the brunt of the third-party release, which is the view  
12 under the Third Circuit standard, and I believe a proper  
13 one. The concept of marshalling from two different sources  
14 of recovery, in some cases, including the Dow case that I've  
15 frequently cited, has been cited as an authority for  
16 imposing a third-party release. Marshaling does not require  
17 a payment in full, generally. It only requires payment in  
18 full from the sources of specific recovery, rather, the full  
19 amount of the sources available from the marshaled claims.  
20 And I have analyzed the fairness of the settlement on the  
21 third-party claimants from the perspective of their recovery  
22 if they were allowed to pursue their third-party claims.  
23 And it's in that context, if at all, that the rights of the  
24 third-parties in the amount that they would recover is  
25 relevant to the question of whether there's a substantial

1 contribution to the reorganization.

2 It is, without doubt, the case that without these  
3 releases the Sackler shareholder released parties would not  
4 agree to the payments under the plan, and they,  
5 understandably I believe, are insisting on that because that  
6 is their consideration in return for the consideration they  
7 are providing to the estate. I've already concluded that  
8 without the releases the plan would unravel and in all  
9 likelihood, the Debtors case would convert to a case under  
10 Chapter 7 of the Bankruptcy Code.

11 In that context, I've already found that from the  
12 Debtor's estate unsecured creditors like the objecting  
13 creditors would in all likelihood recover nothing or at  
14 most, as set forth in the unrefuted liquidation analysis by  
15 Mr. Delacoste, no more than their pro rata share of \$600  
16 million which is a high-case scenario that I am skeptical  
17 about.

18 I've already gone through the dilutive effect  
19 resulting from conversion of the case to Chapter 7. The  
20 question is whether in that scenario the third-parties could  
21 pursue the Sackler released parties to make up the amount  
22 that they would have lost from the estate distribution by  
23 pursuing their third-party claims.

24 In large measure, my analysis of that reasonably  
25 projected outcome is quite similar to my analysis of the

1 collectability and merits of the estate claims against the  
2 Sacklers. Although I believe that the fraudulent transfer  
3 claims against certain of the Sacklers are possibly the  
4 strongest of its suite of claims against them and they would  
5 clearly be aggressively pursued by a Chapter 7 trustee. The  
6 problem is that the senior claims of the United States and  
7 the costs and risks of pursuing them would eat up most of  
8 the value.

9 As far as the third-party claims are concerned,  
10 they do derive from the same facts pertaining to the  
11 Debtor's activities, operation, and marketing with respect  
12 to opioids, but are further narrowed to claims against the  
13 directors and controlling shareholders related to those  
14 activities. Again, we did not have a full trial regarding  
15 the merits of such claims; however, the record before me  
16 included the same types of arguments that I'm gone through  
17 already with respect to the Sacklers' defenses to the estate  
18 claims, which would include veil-piercing and breach of  
19 fiduciary duty and the like which all involve conduct by  
20 controlling shareholders and directors, and I won't repeat  
21 them here because I believe they equally apply to the third-  
22 party claims.

23 In addition, the same issues pertaining to  
24 collection apply, except that the well-recognized ability to  
25 break through a spendthrift trust, if in fact -- this is

1 under U.S. law -- if, in fact, it was the recipient of a  
2 fraudulent transfer would not apply to the third-party  
3 claims which are not fraudulent transfer claims but rather  
4 direct claims which would have to be asserted against the  
5 Sacklers -- all of them -- and/or their companies which are  
6 held in trust in the bankruptcy-proof trust structure  
7 testified to by Mr. Cushing. I'm not, again, ruling that  
8 that structure could not be breached, but I believe it would  
9 be very difficult to do so, particularly where the  
10 settlement which the trust and the trustees have agreed --  
11 or prepared to agree to was undercut.

12 So it would appear to me that the aggregate  
13 recovery by the objecting third-parties in respect of their  
14 claims against the Debtor and against the third-parties --  
15 which, again, I have narrowed to claims that fit within the  
16 Quigley rubric -- would exceed materially their recovery if  
17 I did not confirm the plan and they pursued their third-  
18 party claims separately as well as their claims against the  
19 Debtor in the inevitable liquidation of the Debtor under  
20 Chapter 7.

21 A related argument made by the objectors is that,  
22 contrary to what I've just gone through, the plan does not  
23 satisfy the best interest test of Section 1129(a)(7) of the  
24 Bankruptcy Code. There is a statutory response to that  
25 argument that under the plain meaning of Section 1129(a)(7)

1 I believe is well taken.

2 That section, again, provides that with regard to  
3 a party that has accepted its treatment under the plan, such  
4 holder of the claim will receive or retain under the plan on  
5 account of such claim -- and I want to emphasize that phrase  
6 -- on account of such claim property of a value as of the  
7 effective date of the plan that is not less than the amount  
8 that such holder would so receive -- and I'm emphasizing the  
9 words "so receive" -- or retain in the Debtor were  
10 liquidated under Chapter 7 of this title. It is clear to me  
11 that as a matter of grammar, the comparison is between the  
12 amount that the objecting creditor would receive under the  
13 plan on account of its claim and what it would so receive,  
14 again, on account of its claim, under Chapter 7 and would  
15 not look to rights that it would retain against third-  
16 parties.

17 I recognize that the interpretation of Section  
18 1129(a)(7) by two of my colleagues who I greatly respect in  
19 In re Ditech Holding Corporation, 606 BR 544 (Bankr. SDNY  
20 2019) and In re Quigley Company, 437 BR 102 (Bankr. SDNY  
21 2010), are to the contrary, that one should look, if one can  
22 make a reasoned determination, at the rights that one would  
23 have, not in respect of one's claim, but in respect of other  
24 third-party claims in a liquidation in comparison to the  
25 rights that one would have based on one's claim under the

1 Chapter 11 plan. Neither of those cases, however, addresses  
2 the plain meaning argument that I've just gone through, and  
3 I believe the plain meaning would rule here.

4 Importantly though, I have not limited my ruling  
5 to the plain meaning interpretation that I just gave. I  
6 have instead assessed, based on the evidence before me in  
7 this settlement hearing context, albeit what I believe would  
8 be recovered by the objecting creditors in a Chapter 7 case,  
9 both on account of their claims and on account of the third-  
10 party claims. And based on that assessment, I have  
11 concluded that they would recover more, or at least as much  
12 as, that recovery if confirm with the plan.

13 In both of the Ditech and Quigley cases, the  
14 courts stated that if the recovery from non-debtor sources,  
15 i.e., the claims that would be released under the plan, were  
16 neither speculative nor incapable of estimation or  
17 speculative an hypothetical, then the analysis could be  
18 done. In both of those cases, the courts determined -- in  
19 one case, based on various admissions by the debtor, that is  
20 the Quigley case -- as to the settlement history over a 20-  
21 year period of such types of claims and at least some  
22 evidence, which was the only evidence offered by the plan  
23 proponent, which, again, has the burden of proof, which  
24 showed that at least for a relatively short period --  
25 January 1 through June 30, 2019 -- there were payments on

1 settlements that could be evaluated, and, therefore, one  
2 could evaluate settlement payments generally, and,  
3 therefore, the claims were capable of being estimated, the  
4 plan proponents hadn't carried their burden of proof. The  
5 objecting states have suggested that a similar failure of  
6 proof exists here given the absence of any expert testimony  
7 to try to value the claims of the objecting states against  
8 third-parties, namely, the Sacklers and their related  
9 entities.

10 It is true there is no such expert testimony, but  
11 I believe it would have to be expert fact testimony, not an  
12 assessment of the strengths and weaknesses of the claims,  
13 including the cost of pursuing them, the risks of  
14 collection, and the dilutive effect of all of the other  
15 claims that would be pursued by all of the other creditors  
16 in this case, including all of the other states who are  
17 otherwise agreeing to the plan because it is perfectly  
18 obvious that they would not agree to let the objecting  
19 states alone pursue the shareholder released parties on the  
20 theories that would equally apply under those states' laws.

21 Collectively, the states and territories in this  
22 case filed proof of claims aggregating in an unliquidated  
23 amount at least \$2.156 trillion. The objecting states share  
24 of that adds up to \$482,947,000 or roughly 22.5 percent of  
25 all of the filed claims by the states and territories. That

1 comes down to 450 billion or less than 21 percent if you  
2 exclude West Virginia which was not raising this issue. If  
3 you factor in all of the other claims, some of which would  
4 clearly have third-party claim rights, you're talking about  
5 a largely dilutive effect on the recovery on top of the  
6 liability and claim collection issues that I've already  
7 described.

8 I believe that given the paucity of any settlement  
9 history here with the exception of the payment to the state  
10 of Oklahoma by the Sacklers and their payment to the United  
11 States in respect of their civil claims, that assessment,  
12 which is fundamentally an assessment by the court of the  
13 legal risks and implementation risks of pursuing a lawsuit  
14 is a proper assessment, and I conclude again that the  
15 settlement is fair to the objecting states after having  
16 conducted that assessment. Their claims in large measure  
17 would depend upon, to the extent they are independent of the  
18 Debtors truly -- and, therefore, not truly derivative claims  
19 -- would depend largely on finding whether any of the  
20 Sacklers was personally responsible for the misconduct of  
21 Purdue. Such a trial might actually show that. I believe  
22 the testimony before me was inconclusive on that point,  
23 although, clearly, I accept that there is substantial risks  
24 for the Sacklers, that point would be won by the objecting  
25 states. So in addition to that risk for the reason I've

Page 148

1 already stated, there are substantial cost and collection  
2 risks that I don't need to go through again.

3 As far as the gravamen or the proof that would  
4 need to be shown, I've not gone through every state's  
5 applicable law on this point, but I will note that the main  
6 case that they have cited in their briefs -- Grayson v.  
7 Nordic Construction, Inc., 92 Wn.2d 548 (1979) and State v.  
8 Ralph Williams, North West Chrysler Plymouth, Inc., 87 Wn.2d  
9 298, 322 (1976) -- both of which found individual liability  
10 based upon the controlling shareholders personal actions for  
11 many of the unlawful acts and practices taken by that  
12 person's corporation.

13 The last argument made by the objecting states is  
14 that the nonconsensual third-party release and injunction is  
15 a violation of their sovereignty and police power. There is  
16 no such bar in the Bankruptcy Code itself.

17 The Bankruptcy Code and the judicial code, in  
18 certain carefully prescribed instances, recognize the police  
19 power of states and other governmental entities but only in  
20 limited contexts. Thus, in Section 362(b)(2), Congress  
21 provided an exception to the automatic stay for the  
22 liquidation of a claim in the exercise of police power but  
23 stayed its payment, and such claims are, in fact, as is well  
24 recognized, not exempt from Chapter 11 debtor's discharge.

25 Similarly, 28 U.S.C. Section 1452 precludes the

Page 149

1 removal to the bankruptcy court, which is generally  
2 permitted under that section, of a pending cause of action  
3 if it is one that is asserting the police power. The scope  
4 of the police power in those exceptions has not been decided  
5 definitively by the second circuit. As noted in a thorough  
6 discussion in *In re General Motors, LLC, Ignition Switch*  
7 *Litigation*, 69 F.Supp.3d 404 (SDNY 2014), the exception --  
8 the definition of police power, for purposes of these  
9 exceptions, has evolved over the years from a focus on  
10 distinguishing between actions to enforce the police with  
11 respect to conduct on the one hand and actions to provide  
12 for financial recovery on another.

13 After Board of Governors of the Federal Reserve  
14 systems, the MCorp. Financial, Inc., 502 U.S. 32, 40 (1991),  
15 the focus has turned more from the subjective merits of the  
16 government entities exercise of its police power in a given  
17 case only to the purpose of the law that the governmental  
18 unit is attempting to enforce, even if that purpose, as is  
19 well recognized, may include the payment of money. I accept  
20 that broader definition of the police power. The fact that  
21 a governmental entity is looking to collect money, I believe  
22 is not enough to take it out of the police power exception.

23 But, again, that exception is a limited one in the  
24 Bankruptcy Code and the judicial code. It is well  
25 recognized, indeed the 10th Circuit states that it is a

1 matter of Hornbook law that actions excepted from the  
2 automatic stay, including under the police power, may be  
3 subject to specific injunctive relief under Section 105(a),  
4 In re Western Real Estate Fund, 922 F.2d 592, 599 (10th  
5 Cir.) as I previously cited and In re Commonwealth  
6 Companies, Inc., United States v. Commonwealth Companies,  
7 Inc., 913 F.2d 518 (8th Cir. 1990). See also 3 Collier on  
8 Bankruptcy P 362.05 and, as that discussion notes, the  
9 legislative history to the section which recognizes the  
10 power to enjoin, notwithstanding that the injunction is of  
11 the police power, 143 Cong.Rec. H109 50-03, 1997 WL 712488  
12 H109 50, (November 12, 1997) and H.Rept 95-595 95th Congress  
13 1st Session (September 8, 1977), "Subsection B lists five  
14 exceptions to the automatic stay. The effect of an  
15 exception is not to make the action immune from injunction."

16 As far as the limitation on the power to assert  
17 the police power, at least as far as a general assertion of  
18 states' rights over the power of the Bankruptcy Code, see In  
19 re Peabody Energy Corp., 958 F.3d 717 (8th Cir. 2020). And  
20 in fact, plan injunctions, at least in one instance and a  
21 recent one, have been imposed without any qualms about the  
22 police power authority. See California Department of Toxic  
23 Substances Control v Exide Holdings, Inc., 2021 U.S. Dist.  
24 LEXIS 138478 (D. Del. July 26, 2021).

25 At this point, given the states' agreement,

1 including the objecting states' agreement, to the public  
2 private allocation and the NOAT allocation under the plan  
3 and the carve outs from the plan release, the only thing of  
4 tangible note that the states would be obtaining here would  
5 be money which they've actually agreed to put to use under  
6 the plan for abatement purposes and which they're not  
7 disputing the validity of -- in fact, the remarkable  
8 reconstructive nature of such provisions.

9                 The objecting states nevertheless state that the  
10 plan deprives them of establishing a sufficient civil  
11 punishment for the released claims, and certainly, that is a  
12 valid aspect of the police power, namely, the sending of a  
13 message to others who might similarly, if it is proven  
14 against them, be shown to have improperly engaged in conduct  
15 that would subject them to the liability that the states  
16 assert they would have the ability to impose here and that  
17 is being released.

18                 It is clear to me, however, that the states cannot  
19 have it both ways. They cannot have the results of the plan  
20 and have further punishment than the plan already provides.  
21 They are not (indiscernible) to make that choice, unlike 80  
22 percent of their state brethren and sisters, but the  
23 consequences of such additional punishment would be to the  
24 detriment of all of the states and the creditors in this  
25 case.

1           The element of punishment, besides the loss of all  
2       of Purdue and the money the Sacklers are paying, also  
3       includes, I believe, the agreement by the Sacklers and the  
4       Debtors to provide the comprehensive document depository  
5       which includes waivers by the Debtors of attorney-client  
6       privilege for future analysis by the States and third-  
7       parties.

8           Ms. Conroy, who has been pursuing Purdue and the  
9       Sacklers longer than anyone and harder than anyone, I  
10      believe, has noted that that feature of the settlement is  
11      perhaps the most important one -- even more important than  
12      the billions of dollars being paid by Sackler family  
13      members.

14           It is especially important in the public context  
15      raised by the objecting states. It will provide far more  
16      transparency to the conduct of Purdue and those it did  
17      business with and those who regulated it, including some of  
18      these very objectors, including the state where Purdue's  
19      main offices are, Connecticut, and the federal government,  
20      which of course also regulated Purdue.

21           That record is extremely important, not only for  
22      continuing to pursue lawsuits against other parties, but  
23      also to guide legislatures and regulators as to how better  
24      to address a company that has a legal product that is also  
25      incredibly dangerous.

1           As I've noted the other aspects of the plan that  
2 deal with NewCo, also provide a model for either further  
3 self-regulation or regulation by regulatory bodies.

4           Each of the four members of the Sackler family who  
5 testified during the evidentiary hearing before me was asked  
6 would they apologize for their role and conduct related to  
7 Purdue. Their reactions, as perhaps is typical of a family,  
8 varied. None would state an explicit apology, which I  
9 suppose is understandable given the legal risks they face in  
10 making such an apology before a settlement, whether there's  
11 an objection to the settlement, although I will note that in  
12 a somewhat similar context, I have received an apology to  
13 victims of misconduct.

14           One of the witnesses, frankly, did not accept any  
15 level of responsibility. The other three with differing  
16 degrees of emotion did in terms of stating their regret for  
17 what their company had done. A forced apology is not really  
18 an apology. So we will have to live without one.

19           The writer Standahl wrote that most people do not  
20 forgive, they just forget. Given the nature of this  
21 settlement, including the document depository, forgetting  
22 will be impossible. To me, those elements of the settlement  
23 more than justify the admittedly serious implications, even  
24 in a context where the real relief now being sought by the  
25 states has been agreed by them in overriding their assertion

1 of their own independent police power rights.

2 So assuming that the change to Section 10.07(b) of  
3 the plan will be made, and I will not confirm the plan if it  
4 isn't made that I outlined, and assuming one other change  
5 that I believe is necessary, I will confirm the plan. I do  
6 so agreeing with the Creditors Committee and everyone else  
7 on the other side of the table, including the Debtors from  
8 the Sackler family, that I wish the plan had provided for  
9 more, but I will not jeopardize what the plan does provide  
10 for by denying the confirmation.

11 The other change to the plan that I believe is  
12 required is to the provision found at Paragraph 11.1(e) of  
13 the plan on Page 146, which directs people who prosecute a  
14 cause of action for a nonopioid-excluded claim, which is  
15 truly a derivative claim in the normal definition of the  
16 term, unless such person first obtains leave from the  
17 bankruptcy court.

18 Consistent with my remarks to counsel for the  
19 Canadian Municipalities, that provision should be made clear  
20 that it provides only to causes of action that colorably is  
21 a non-opioid-excluded claim, i.e. if the cause of action is,  
22 for example, for a fraudulent transfer claim brought by  
23 Purdue Canada or some other claim, it should not have to go  
24 through the bankruptcy court.

25 So I will confirm the plan only if the following

1 phrase is added after the phrase "non-opioid-excluded claim"  
2 in the third line of 11.1(e) "if such cause of action  
3 colorably is a non-opioid-excluded claim." That is  
4 different than the stricken language which said the claim  
5 must be colorable. This is one that is colorably an  
6 excluded claim.

7 So as I noted at the beginning of this hearing, I  
8 have an over one-hundred-page confirmation order I have not  
9 reviewed in detail. I've given you a several hours' long  
10 ruling, for which I apologize for the length of. I will go  
11 through the confirmation order carefully, but I will confirm  
12 the plan if it is modified in the two ways that I've noted  
13 during my ruling.

14 MR. HUEBNER: Your Honor, thank you very much with  
15 tremendous apologies for even needing to speak at all after  
16 a six-and-a-half-hour bench ruling without a break. There  
17 are two housekeeping matters with respect to statutes of  
18 limitations and the injunction, which I will ask Mr.  
19 Kamenetzky to in a minute. Those will hopefully only take  
20 45 seconds. I have one thing before that, Your Honor, that  
21 I also raise with some hesitation.

22 During the course of the six and a half hours,  
23 Your Honor, I believe, we might have misheard, but we might  
24 have heard you say that the majority of the Sacklers' assets  
25 are in trusts organized under the bailiwick of Jersey. For

1 the record, Your Honor, we think you may have intended to  
2 refer to the Mortimer A side of the family.

3 According to the testimony, including his report  
4 at JX3092 at Docket 3488, the A side of the family has  
5 substantial assets in trust under bailiwick of Jersey. The  
6 documents also reflect that the B side, which is the Raymond  
7 side, which is largely the domestic side, does not have  
8 equally significant assets outside the United States. They  
9 do have put in record evidence --

10 THE COURT: They do have them in spendthrift  
11 trust.

12 MR. HUEBNER: Exactly, Your Honor. We were quite  
13 confident that you didn't mean to rely on the majority of  
14 their overall assets being in Jersey trusts, but rather in  
15 various trusts. The A side has a lot of money in Jersey.  
16 The B side does not, which is what the evidence shows. And  
17 we just wanted to make sure that, as you said, the record  
18 accurately reflected what you found in that respect.

19 THE COURT: As I said in the beginning of my  
20 ruling, I will go through it and correct any misstatements  
21 that I made to that effect, although the ruling won't  
22 change.

23 MR. HUEBNER: Perfect, Your Honor.

24 THE COURT: The B side has most of its assets in  
25 spendthrift trusts.

1                   MR. HUEBNER: Thank you, Your Honor. I think we  
2 all know what the facts are. They are uncontroverted. That  
3 was the only point. Let me now put myself back on mute and  
4 ask Mr. Kaminetzky to handle two quick housekeeping matters.  
5 And I believe there is nothing further, certainly, from the  
6 Debtors.

7                   THE COURT: Okay.

8                   MR. KAMINETZKY: Your Honor, Benjamin Kaminetzky  
9 of Davis Polk. For the Debtors, again, with apologizes.  
10 You must be exhausted. Two, I hope, administrative matters.  
11 The first back to the preliminary injunction.

12                  Following the entry of the Court's bridge  
13 extension on Monday, which is Docket No. 286 in the  
14 Adversary proceeding No. 19-08289, the preliminary  
15 injunction is now set to expire today.

16                  As I mentioned on Friday, there is a provision in  
17 the proposed confirmation order that will extend the  
18 preliminary injunction through the effective date, that is  
19 Paragraph 56(a) of the proposed confirmation order.  
20 Bankruptcy Rule 3020(e) in Paragraph 66 of the order provide  
21 that the confirmation order be stayed until the expiration  
22 of 14 days after the entry of the order unless the Court  
23 orders otherwise.

24                  There will therefore be a small gap in the  
25 protection afforded by the preliminary injunction and the

1 voluntary injunction unless the Court enters a second bridge  
2 order.

3 So as I foreshadowed last Friday, the Debtors  
4 respectfully request that the Court enter another bridge  
5 order extending the preliminary injunction to entry of the  
6 confirmation order and the expiration of the 14-day period,  
7 stay period we just described. So I guess I could go on,  
8 but we've spoken to the UCC, the AHC and MSGE and they  
9 support this. And given my colloquy with the Court on  
10 Friday about the Debtor's intention to seek the second  
11 bridge order today, I assume the nonconsenting states are in  
12 a position to affirm their voluntary compliance with the  
13 extension rather than to be formally bound by it, which is  
14 consistent with past practices.

15 So if the representatives of nonconsenting states  
16 are on, and could indicate that on the record, that would be  
17 wonderful. I see Mr. Gold.

18 MR. GOLD: Your Honor, Matthew Gold from Kleinberg  
19 Kaplan representing Washington, Oregon, and District of  
20 Columbia, although maybe I should let Mr. Troop go first,  
21 but can Your Honor hear me?

22 THE COURT: Yes, I can, thanks.

23 MR. GOLD: I would defer to Mr. Troop who speaks  
24 on behalf of more states, if he wishes to go first.  
25 Otherwise, I'm prepared to speak.

1                   MR. TROOP: Your Honor, Andrew Troop on behalf of  
2 the nonconsenting states. I have not received any  
3 information or suggestion that the members of the  
4 nonconsenting states will not continue to abide voluntarily  
5 with the preliminary injunction or its extension. We did  
6 not solicit on that point. Specifically, I will defer to  
7 any law on phone if they think otherwise, but I don't think  
8 there should be an issue, Your Honor.

9                   THE COURT: Okay.

10                  MR. GOLD: Thank you, Your Honor. This is Matthew  
11 Gold again. As Mr. Troop said, we certainly have not had  
12 any opportunity to discuss with our clients this particular  
13 request. I think it would have been far preferable if the  
14 Debtors, in soliciting the opinions of all those other  
15 parties, had spoken to us first rather than making us  
16 request in open court during the hearing, but it is  
17 obviously too late for that.

18                  The one question that I do not understand from the  
19 way Mr. Kaminetzky put it, is that we have been given to  
20 understand that that the effective date under the plan  
21 occurs not 14 days after the entry of the confirmation  
22 order, but at least 82 days after the entry of the  
23 confirmation order.

24                  So what Mr. Kaminetzky is requesting here is not a  
25 two-week extension of the injunction, but a three-month

1 extension of the injunction. And I would at least  
2 appreciate some clarification from Mr. Kaminetzky on that  
3 point so that we can understand what is considered brief or  
4 not in this context.

5 THE COURT: Fair point. I think it wouldn't be  
6 limited by time, right? It's limited by definition?

7 MR. KAMINETZKY: I'm sorry. The confirmation  
8 order extends the, the proposed confirmation order extends  
9 the preliminary injunction to the effective date. The  
10 effective date is still the effective date of the plan.  
11 Those are two different things.

12 THE COURT: Right.

13 MR. KAMINETZKY: So the order would give us the  
14 bridge to the effective date.

15 THE COURT: So this is time to get the order in  
16 and to have it be an effective order.

17 MR. KAMINETZKY: Yes.

18 THE COURT: So I think it is 14 days unless  
19 there's a stay pending appeal.

20 MR. KAMINETZKY: That's correct. And Your Honor,  
21 just on the point -- I said this was going to happen last  
22 Friday. This is not a surprise at all.

23 THE COURT: It wasn't a surprise to me. Look, I  
24 am perfectly happy to have the states continue to agree as  
25 opposed to having it imposed on them. There's precedential

1 value to that that I understand. But if they weren't to  
2 agree, in all likelihood, I would extend the injunction  
3 through the entry of the confirmation order and the order  
4 being a final order.

5 MR. KAMINETZKY: Thank you, Your Honor. The  
6 second issue, as Your Honor knows, the shareholders  
7 settlement agreement contains a unique enforcement mechanism  
8 which we call the snapback in the event that certain  
9 breaches of the shareholder settlement agreement occur, the  
10 MDT can trigger a snapback by filing a notice with the  
11 Court, at which point, both the shareholder releases and the  
12 shareholder injunction will unwind with respect to any  
13 breaches by the shareholder parties and the MDT, and the  
14 releasing parties could then sue the breaching shareholder  
15 parties under the release causes of action.

16 To ensure that these remedies are maximally  
17 effective, it is necessary to preserve those claims during  
18 the life of the settlement agreement or until the parties  
19 subject to the snapback have fully performed their  
20 obligations. According to Section 10.9 of the plan and  
21 Paragraph 32(a) of the confirmation order, they toll any  
22 statue of limitations that apply to the shareholder release  
23 claims.

24 However, we are faced with a potential very small  
25 gap because those provisions of the plan and confirmation

1 order will not take effect until the 14-day stay of the  
2 confirmation order expires. And we're facing the end of the  
3 tolling provisions in Section 108(a)(2) and the limitations  
4 in 546(a)(1)(A) because we're approaching the second  
5 anniversary of our filing.

6 So we have a proposed order which is to make sure  
7 that the tolling provisions provided by Section 10.9 of the  
8 plan is in place as soon as possible and before the 14-day  
9 stay runs.

10 So the proposed order does effectuate only that  
11 tolling provision to the plan and confirmation order. It  
12 will start now. It tolls the applicable statute of  
13 limitations for the shareholder release claims in exactly  
14 the same way as it's provided by the plan in Paragraph 32(a)  
15 of the confirmation order. The tolling order is to remain  
16 effective until the later of the date of the confirmation  
17 order becomes final and if the confirmation order is vacated  
18 or reversed, 225 days after the date when that occurs so  
19 folks have plenty of time to file their complaints.

20 This is not controversial --

21 THE COURT: Is this -- sorry to interrupt you, Mr.  
22 Kaminetzky. Is this a stipulated order with the Sacklers?  
23 So they're agreeing to this?

24 MR. KAMINETZKY: Yeah. Both sides, A and B, agree  
25 to this and I can't imagine anyone would object --

1 THE COURT: Okay.

2 MR. KAMINETZKY: -- given that this is just a way  
3 to maximally preserve the claims if, God forbid, there's a  
4 breach. We can provide that to Your Honor.

5 THE COURT: You can submit that to chambers.

6 MR. KAMINETZKY: Okay. Perfect.

7 THE COURT: When does that period expire? I mean  
8 I don't think it expires tonight, right?

9 MR. KAMINETZKY: No. We have --

10 THE COURT: It will get entered tomorrow then.

11 MR. KAMINETZKY: Yeah. We have September 15th or  
12 16th depending on how you count. So we'll get that on file.

13 THE COURT: Okay. So you can submit that to  
14 chambers and it will get entered tomorrow. I expect the  
15 confirmation order probably will get entered tomorrow. I do  
16 have a brief calendar in the morning, but I'll be able to go  
17 through it.

18 MR. KAMINETZKY: Okay. Thank you, Your Honor.

19 MR. HIGGINS: Your Honor, very briefly, Ben  
20 Higgins for the United States Trustee. May I be heard  
21 briefly, Your Honor?

22 THE COURT: Sure.

23 MR. HIGGINS: Thank you, Your Honor. Just on a  
24 procedural note now that Your Honor has ruled. The United  
25 States Trustee intends to file a formal motion for a stay

Page 164

1 pending appeal. As part of that motion, we would be seeking  
2 an expedited hearing.

3 Consistent with the case management order, Your  
4 Honor, we have conferred with Debtors' counsel. We have not  
5 yet reached an agreement on an expedited briefing or hearing  
6 schedule, but as the case management order directs, Your  
7 Honor, we'll reach out to counsel again tonight and if we're  
8 unable to reach an agreement regarding scheduling, we know  
9 to contact chambers as the case management order requires.

10 THE COURT: Okay. That's fine.

11 MR. HUEBNER: Your Honor, just so everybody is  
12 clear, so we don't get a cascade of emergency pleadings like  
13 this, I think Mr. Gold correctly referred to before, it is  
14 of record in this case and should be well known to everybody  
15 and if it's not, they should be come familiar with it, but  
16 our DOJ settlement approved by this Court after a multi-hour  
17 hearing as well, expressly contemplates a settlement -- a  
18 sentencing hearing not earlier than 75 days after the entry  
19 of the confirmation order. And emergence not earlier than  
20 eight days -- then seven days after that, which is why, as  
21 Your Honor has actually advised all parties at multiple  
22 recent hearings, including the KERP hearing, this company  
23 can't come out for several months and I think at this point,  
24 you know, to start burdening the docket with emergency  
25 motions, there's got to be a way to work this out more

1 thoughtfully than unnecessary emergency motions when there  
2 cannot be an emergence for really rather quite a while.

3 We don't want anybody to be prejudiced, we  
4 understand that. That's the kind of thing we're trying to  
5 be in dialog about, but we have a history here where we're  
6 in dialog with people and we're waiting for a thoughtful  
7 response and then they just never call back or email and  
8 file something that costs the Estate a lot of resources as  
9 multiple parties all have to think about it and respond to  
10 it.

11 So what I said on the very first day of this case,  
12 at the very first hearing, still holds two years later.  
13 Please just call us and let's see if we can work something  
14 out that is efficient and not a waste of taxpayer resources  
15 and Estate resources that does nothing but drain money from  
16 abatement and saving lives.

17 THE COURT: Ms. Lee is very good in keeping my  
18 calendar. She knows better than I do how long things will  
19 take. Don't tell her that because she's probably valuable  
20 to any number of law firms if they knew that. She'll find  
21 time that makes sense. I don't think it is an emergency,  
22 Mr. Higgins. I really don't, which is something you should  
23 take into account before making such a motion.

24 MR. HIGGINS: Understood, Your Honor. That's why  
25 we reached out Mr. Huebner twice about this and we will

1 continue to talk with him to work on a schedule that works  
2 for everybody, Your Honor.

3 THE COURT: Among other things, I would hope that  
4 someone would actually be able to read the last six hours of  
5 what I was talking about before they actually decided to do  
6 something.

7 MR. HIGGINS: Of course, Your Honor.

8 THE COURT: Okay. Anything else?

9 MR. KAMINETZKY: Nothing from the Debtor.

10 THE COURT: Thank you all. Thanks, everyone.

11

12 (Whereupon, these proceedings were concluded at  
13 4:49 PM)

14

15

16

17

18

19

20

21

22

23

24

25

Page 167

1 C E R T I F I C A T I O N

2

3 I, Sonya Ledanski Hyde, certified that the foregoing  
4 transcript is a true and accurate record of the proceedings.

5

6

7

8 Sonya Ledanski Hyde

9

10

11

12

13

14

15

16

17

18

19

20 Veritext Legal Solutions

21 330 Old Country Road

22 Suite 300

23 Mineola, NY 11501

24

25 Date: September 1, 2021

[&amp; - 1992]

Page 1

<b>&amp;</b>	<b>1081-85</b> 124:15	<b>1140</b> 59:12 122:20	<b>150</b> 45:19
& 44:1 55:10 59:8 65:4 68:18	<b>10:00</b> 2:1	<b>1141</b> 39:20	<b>152</b> 111:15
<b>1</b>	<b>10:06</b> 1:17	<b>1150</b> 59:12	<b>1534</b> 112:3
	<b>10th</b> 123:5 149:25	<b>11501</b> 167:23	<b>157</b> 109:11 110:20
	150:4	<b>1153</b> 122:20	120:4
	<b>11</b> 2:5 12:6,8,10 21:19 23:22 32:18 33:2 42:19 45:5,8 51:20 52:2,5,6 53:9 56:12,13,20 56:23 57:4,11	<b>116</b> 59:17 69:14 <b>11th</b> 119:2 122:19 <b>12</b> 150:12 <b>122</b> 69:2 <b>125</b> 65:4 <b>126</b> 117:2 120:10	<b>158</b> 118:5 <b>15th</b> 163:11 <b>162</b> 64:19 <b>1633</b> 3:13 <b>164</b> 92:22 <b>169</b> 92:22 <b>16th</b> 53:15 59:21 64:7 163:12
	81:23 83:8 85:9 88:15 92:7 95:15 96:23 103:12 111:18 120:2,3 121:3 138:9,13,19	<b>1294</b> 119:2 <b>13,500</b> 74:15 <b>132</b> 114:17 <b>133-40</b> 122:7 <b>1334</b> 109:9 110:18	<b>170</b> 130:2 <b>174</b> 64:19 <b>175</b> 87:17 95:24 <b>176</b> 130:2 <b>180</b> 44:1 <b>189</b> 39:22
	145:1 148:24	114:16,19 115:9 119:20	<b>19-08289</b> 157:14 <b>19-23649</b> 1:3
	<b>11.1</b> 154:12 155:2	<b>134</b> 43:10 88:23	<b>1939</b> 128:15
	<b>110</b> 59:17 69:14	<b>135</b> 118:5 122:9	<b>1948</b> 114:17
	<b>111</b> 126:10	<b>136</b> 122:2 133:1	<b>1950</b> 118:3
	<b>1122</b> 28:10 31:4	135:15	<b>1968</b> 88:18
	53:19,23,25 57:22	<b>1122.03</b> 53:15	<b>1976</b> 148:9
	59:6,10	<b>137</b> 64:21 111:6	<b>1977</b> 150:13
	<b>1123</b> 28:10 31:4	<b>138</b> 43:10 53:17	<b>1979</b> 148:7
	39:11,20 61:23	59:19	<b>1982</b> 43:11
	69:6,12 128:25	<b>138478</b> 131:25	<b>1984</b> 64:21
	134:4 135:19	150:24	<b>1986</b> 59:13 122:20
	<b>1124</b> 61:23	<b>139</b> 39:22 64:21	<b>1987</b> 113:20
	<b>1126</b> 30:6 58:17	<b>1394</b> 123:3	<b>1988</b> 49:4 116:23
	<b>1127</b> 17:18	<b>14</b> 17:11,11	<b>1989</b> 92:21 122:11
	<b>1129</b> 28:6,8 30:11	157:22 158:6	124:7
	30:17,22,24,25	159:21 160:18	<b>1990</b> 69:3 115:11
	31:7,11,22 32:18	162:1,8	123:6 124:17
	33:2 43:23 45:12	<b>140</b> 84:1 117:3	128:17 150:7
	47:10 50:9 52:8	<b>1401-02</b> 123:3	<b>1991</b> 88:23 149:14
	53:6,20,22 63:2	<b>141</b> 48:21 122:2	<b>1992</b> 53:18 59:20
	63:13 64:5 69:24	<b>143</b> 150:11	96:23 115:3
	70:24 77:18 79:22	<b>1452</b> 148:25	131:20
	143:23,25 144:18	<b>146</b> 154:13	
	<b>1129.02</b> 64:7	<b>15</b> 33:15 45:5	
		84:13 109:18	

[1994 - 38]

Page 2

<b>1994</b> 127:5,5,7,9	<b>2014</b> 44:5 53:16	<b>255</b> 115:3	<b>300</b> 1:13 109:18
<b>1995</b> 109:19 122:1	122:9 130:21	<b>258</b> 44:1	167:22
123:3 124:1	149:7	<b>26</b> 120:12 131:25	<b>3016</b> 118:19
<b>1997</b> 150:11,12	<b>2015</b> 102:7,10	140:5 150:24	<b>3018</b> 52:20
<b>1998</b> 45:20 64:20	122:10,19	<b>260</b> 113:19	<b>3020</b> 17:10,12
<b>1st</b> 40:11 121:25	<b>2016</b> 44:2 103:7	<b>261</b> 65:5	157:20
150:13	118:5,23 130:22	<b>263-64</b> 113:19	<b>304</b> 128:14
<b>2</b>	<b>2017</b> 40:11 117:1	<b>26681</b> 118:25	<b>306</b> 118:3
<b>2</b> 39:11 86:25 89:7	120:16 125:8	<b>267</b> 113:19	<b>307-308</b> 109:19
96:24 99:15	<b>2018</b> 65:7 68:24	<b>27</b> 45:4 84:6	<b>308</b> 128:14
148:20 162:3	102:10 117:2	<b>273</b> 117:1	<b>31</b> 4:10 45:4 102:4
<b>2.156</b> 146:23	120:15,19 140:4,5	<b>28</b> 109:9,11	<b>311</b> 39:23 55:10
<b>20</b> 44:20 45:3	<b>2019</b> 30:15 43:25	110:20 112:3	59:8
145:20	55:5 63:25 64:15	114:16 115:9	<b>314</b> 118:3
<b>2000</b> 136:13	65:12 103:5	118:24 120:4	<b>318</b> 121:3
<b>2001</b> 110:2	115:18 117:2	148:25	<b>32</b> 45:4 149:14
<b>2002</b> 92:23 115:4	120:20,21 144:20	<b>280</b> 55:9 115:5	161:21 162:14
115:6 122:12	145:25	122:12 125:18	<b>321</b> 65:6 68:24
<b>2003</b> 118:25	<b>2020</b> 100:24 117:3	129:9	<b>322</b> 148:9
<b>2005</b> 113:19 119:2	120:11,12 124:15	<b>283</b> 44:5	<b>326</b> 59:8
122:3 135:16	150:19	<b>285</b> 131:20	<b>327</b> 69:10
<b>2006</b> 125:18 132:1	<b>2021</b> 1:16 37:21	<b>2850</b> 120:12	<b>329</b> 55:10
134:10	48:22 49:8 53:15	<b>286</b> 157:13	<b>330</b> 167:21
<b>2007</b> 53:1 59:17	59:14,21 64:7	<b>295</b> 128:14	<b>3309</b> 140:4
69:14 89:22 101:8	97:18,18 118:23	<b>296</b> 92:22	<b>333</b> 109:25
101:9,14,24 102:4	118:24 131:24,25	<b>298</b> 148:9	<b>334</b> 69:15
103:4 106:19	150:23,24 167:25	<b>2d</b> 43:10 64:19,20	<b>336</b> 114:17
<b>2008</b> 64:19 68:25	<b>203</b> 136:12,12	64:21 89:22 92:21	<b>339</b> 118:3
103:5 111:5	<b>2085</b> 117:3	110:2,14 111:4	<b>339-40</b> 109:25
122:13 128:6	<b>21</b> 147:1	116:22 118:5	<b>34</b> 39:22
<b>2009</b> 45:17 90:18	<b>2170253</b> 90:18	120:21 122:3	<b>342</b> 132:1
90:19 111:6	<b>2188929</b> 118:23	135:15	<b>344</b> 122:9
122:14 123:1	<b>2190</b> 48:21	<b>2d.cir</b> 49:4	<b>3488</b> 156:4
138:3	<b>22.5</b> 146:24	<b>2nd</b> 122:12 130:2	<b>350</b> 122:9
<b>201</b> 4:3	<b>2202-2203</b> 48:21	130:21,22	<b>352</b> 65:6
<b>2010</b> 65:3,4	<b>225</b> 162:18	<b>3</b>	<b>355</b> 39:16
144:21	<b>229</b> 123:1	<b>3</b> 31:7 42:5,12,17	<b>358</b> 68:24
<b>2011</b> 69:16 140:6	<b>233</b> 65:5	43:7 45:13 50:9	<b>362</b> 148:20
<b>2012</b> 39:16,23	<b>24</b> 83:21	59:21 63:13 64:7	<b>362.05</b> 150:8
55:10 97:19 102:4	<b>248</b> 1:13	77:18 79:22 89:11	<b>373</b> 52:25 61:17
110:14 130:2	<b>252</b> 117:1 120:16	93:17 134:1 150:7	<b>377</b> 59:16 69:14
<b>2013</b> 39:23 44:11	123:1 124:2	<b>30</b> 55:11 102:4	<b>38</b> 40:11
55:11 59:8		145:25	

[38068 - 676]

Page 3

<b>38068</b>	120:21	<b>475</b>	39:22 125:7	<b>52</b>	111:4 116:14	<b>59-60</b>	132:21
<b>390</b>	88:18,24	<b>476</b>	59:13 97:19	<b>520</b>	45:17	<b>591</b>	117:1 120:14
<b>3d</b>	39:16,23 40:11 59:8 92:22 117:2 119:2 136:12	<b>478</b>	89:22	<b>524</b>	29:15 39:20 60:16 123:9 124:4	<b>592</b>	116:24 123:5 150:4
	<b>4</b>	<b>478-79</b>	118:22		124:11,20 125:3	<b>599</b>	115:17 150:4
<b>4</b>	31:4,11 42:5 43:7,23 45:12,13 47:10 51:23 52:6 57:23 60:11,13 61:23 62:11,22 63:7 68:13 69:6 69:12,24 70:24 89:13 93:17 127:5	<b>48</b>	14:15 66:10 82:22 83:11		125:13,23,24	<b>5th</b>	45:19 113:19 123:1,25
		<b>482,947,000</b>			126:5,6,8,10	<b>6</b>	
			146:24		127:20 128:7,12	<b>6</b>	39:11 89:18
		<b>489</b>	116:24 120:19		132:6 139:1		128:25 134:4
		<b>492</b>	120:19	<b>528</b>	64:18		135:19
		<b>493</b>	88:23	<b>52nd</b>	4:10	<b>60</b>	45:2
		<b>495</b>	115:10 128:16	<b>5362</b>	68:25	<b>600</b>	111:15 123:5 141:15
		<b>496</b>	88:23	<b>537-538</b>	45:17	<b>606</b>	30:15 65:11 133:9 144:19
		<b>497</b>	44:10	<b>54</b>	112:1	<b>607</b>	43:25
		<b>4:49</b>	166:13	<b>541</b>	96:24	<b>608</b>	65:2
		<b>4th</b>	122:9,11 140:6	<b>544</b>	65:12 103:2 144:19	<b>614,000</b>	23:2
				<b>544,554</b>	30:15	<b>619</b>	121:3
				<b>545</b>	115:10 128:17	<b>62</b>	123:25
		<b>5</b>		<b>54573</b>	127:5	<b>621</b>	124:6
		<b>5</b>	38:10 39:11,20 51:23 52:6 55:8	<b>546</b>	162:4	<b>636</b>	49:4 64:20
			62:22 89:15	<b>548</b>	148:7	<b>639</b>	110:1
			<b>5.08</b>	<b>549</b>	128:17	<b>640</b>	122:13 125:17 128:6
			31:11 41:1,14 43:19 44:17,19	<b>551</b>	118:22	<b>642-646</b>	49:4
			47:4,22	<b>553</b>	<b>390</b> 127:8	<b>648</b>	55:9 122:12 125:18 129:9
			<b>5.8.</b>	<b>555</b>	44:1	<b>649</b>	64:20
			44:21	<b>557</b>	111:6	<b>65</b>	121:25
			<b>50</b>	<b>559</b>	117:2 120:14	<b>655-59</b>	122:13
			150:12	<b>56</b>	53:16 113:3 129:22 157:19	<b>656</b>	129:9
			<b>50-03</b>	<b>561</b>	65:2	<b>656-58</b>	122:12
			150:11	<b>562</b>	122:14 138:3	<b>657</b>	128:6
			<b>500</b>	<b>568</b>	69:2	<b>658</b>	129:10
			3:20	<b>57</b>	45:2 113:3	<b>66</b>	157:20
			<b>502</b>	<b>572</b>	110:2	<b>663</b>	140:6
			52:20 149:14	<b>575</b>	69:2 117:1 120:15 125:7	<b>67</b>	123:2
			<b>503</b>	<b>578</b>	65:12	<b>674</b>	43:10
			42:5,17 43:7 45:13,19	<b>579</b>	110:2	<b>676</b>	110:14 111:25 113:2 116:14
			<b>504</b>	<b>58</b>	40:11		129:14 132:21
			96:23	<b>582</b>	65:6 68:24		
			<b>504-505</b>	<b>584</b>	123:1 124:2		
			116:24				
			<b>505</b>				
			125:7				
			<b>508</b>				
			44:4				
			<b>513</b>				
			53:16 65:5				
			<b>517</b>				
			45:19 111:4				
			129:22				
			<b>518</b>				
			150:7				
			<b>519</b>				
			122:13 125:17				
			128:6				

[683 - accepting]

Page 4

<b>683</b>	92:21	<b>760-61</b>	123:25	<b>900</b>	133:1	76:10 78:13,16,17
<b>684</b>	39:15	<b>77</b>	45:3 101:7	<b>9019</b>	20:18 43:21	78:20,22 79:1,3,5
<b>688</b>	92:20	<b>78</b>	45:3	<b>91-92</b>	116:22	79:5,10,13,25
<b>69</b>	149:7	<b>780</b>	122:18	<b>913</b>	115:2 150:7	80:5,22 86:14,18
<b>690</b>	44:10	<b>781</b>	43:25	<b>914-19</b>	115:2	87:3,12,18 99:16
<b>694</b>	122:11	<b>782</b>	113:20	<b>918</b>	55:4 64:14	151:6 165:16
<b>695</b>	44:10	<b>786</b>	113:20	<b>92</b>	148:7	<b>abatements</b> 87:1
<b>696</b>	130:2	<b>787604</b>	97:18	<b>922</b>	63:24 123:5	<b>abating</b> 25:5
<b>6th</b>	55:9 115:6	<b>792</b>	59:12 122:20		150:4	106:12
	<b>7</b>	<b>793</b>	43:25	<b>923</b>	64:14	<b>abby</b> 5:10
<b>7</b>	31:22 32:6,12 53:14 59:20 64:6 89:20 99:8 141:10 141:19 142:5 143:20,23,25 144:10,14,18 145:8	<b>7a</b>	16:8	<b>927</b>	64:15	<b>abide</b> 159:4
<b>700</b>	38:9 72:14	<b>7th</b>	122:13,14 128:6 138:3	<b>927-8</b>	55:4	<b>ability</b> 22:19
<b>700-02</b>	122:11		<b>8</b>	<b>933</b>	55:4	106:3 107:18
<b>704</b>	140:6	<b>8</b>	150:13	<b>942</b>	55:9	112:19 113:25
<b>704-705</b>	92:20	<b>8.8</b>	20:13	<b>945</b>	117:2 120:10 122:7	114:13 115:18
<b>712488</b>	150:11	<b>80</b>	60:14,14 84:21 93:24 134:10 151:21	<b>95</b>	28:20 29:2 60:13 84:21 93:25 139:2	121:18 142:24
<b>715</b>	97:19	<b>81</b>	130:21	<b>95-595</b>	150:12	151:16
<b>717</b>	115:18 150:19	<b>810</b>	113:20	<b>958</b>	150:19	<b>able</b> 22:21 128:3
<b>720</b>	133:9	<b>82</b>	159:22	<b>95th</b>	150:12	128:22 163:16
<b>723</b>	53:17 59:20	<b>829</b>	118:5	<b>960</b>	131:20	166:4
<b>727</b>	116:6	<b>83</b>	53:16	<b>961</b>	122:10 124:13 124:14	<b>ably</b> 128:1
<b>728</b>	97:19	<b>837</b>	112:9 116:22	<b>97</b>	29:2 50:21 75:13	<b>absence</b> 34:10
<b>729</b>	39:23 55:10 59:8 69:10	<b>84</b>	130:22	<b>973</b>	121:25	146:6
<b>73</b>	45:2	<b>843</b>	49:3 59:13 64:20	<b>98</b>	25:23 26:19	<b>absent</b> 136:4
<b>740</b>	130:21	<b>848</b>	115:6	<b>984-85</b>	121:25	<b>absolute</b> 39:2
<b>746</b>	123:25	<b>855</b>	59:13 130:22	<b>9th</b>	63:25 123:3 124:6,15	<b>absolutely</b> 17:1
<b>75</b>	29:13 60:15 126:3 138:25 164:18	<b>856</b>	122:14 138:3	<b>a</b>		45:21 47:20 82:8
<b>750</b>	38:9 72:14	<b>87</b>	148:8	<b>a.g.</b>	122:1	138:18
<b>751</b>	64:21	<b>880</b>	122:10	<b>a.h.</b>	122:10	<b>abuse</b> 102:7 104:4
<b>753</b>	96:23	<b>882</b>	109:25	<b>a3</b>	123:11	137:22
<b>757</b>	59:20 96:23	<b>884</b>	92:20	<b>aaron</b>	5:3	<b>abused</b> 136:6
<b>759</b>	53:18	<b>885</b>	124:6	<b>abate</b>	38:10 39:3 60:24 63:9	<b>accept</b> 47:1 48:2
<b>760</b>	122:9	<b>89</b>	112:9 116:22	<b>abatement</b>	41:20	58:7,10 116:19
		<b>8th</b>	55:4 64:15 113:20 150:7,19		51:24 52:4 54:12	137:13 147:23
			<b>9</b>		61:14 62:21 66:11	149:19 153:14
		<b>9/11</b>	73:12		66:18 67:9,16	<b>acceptable</b> 70:21
		<b>90</b>	29:4			<b>accepted</b> 28:3,15

## [access - agreement]

Page 5

<b>access</b> 21:9 26:16 93:6,10,14 95:24	<b>action's</b> 109:23	<b>addresses</b> 145:1	<b>ag</b> 45:2 109:25
<b>accessible</b> 80:19	<b>actions</b> 101:13	<b>addressing</b> 35:2	<b>agencies</b> 103:8
<b>accidental</b> 132:16	102:12,13,15	81:19 112:6	<b>agenda</b> 2:9,9,12
<b>account</b> 32:2 38:7	110:10 115:1	<b>adds</b> 95:25 146:24	2:12
47:2,14 57:12	124:9 134:14	<b>adjudication</b>	<b>aggregate</b> 23:13
68:3,5 70:19	148:10 149:10,11	116:20	74:14 95:14
72:23 79:6,14	150:1	<b>adjustments</b> 70:1	139:11 143:12
95:9 98:13,13	<b>actively</b> 50:13	<b>administered</b>	<b>aggregating</b>
104:12 144:5,6,13	84:22	114:22	146:22
144:14 145:9,9	<b>activities</b> 78:16	<b>administrative</b>	<b>aggressive</b> 73:20
165:23	142:11,14	42:7 43:9,14	<b>aggressively</b>
<b>accountant</b> 42:11	<b>activity</b> 72:6	62:18,20 99:15	142:5
42:16	<b>acts</b> 148:11	157:10	<b>ago</b> 74:4
<b>accurate</b> 68:8	<b>actual</b> 38:21 42:8	<b>admissions</b>	<b>agree</b> 16:4 20:11
167:4	42:15 136:15	145:19	66:11 71:11 141:4
<b>accurately</b> 156:18	<b>ad</b> 4:9 14:13 15:5	<b>admittedly</b>	143:11 146:18
<b>achievable</b> 86:4	46:18 82:22	153:23	160:24 161:2
<b>achieve</b> 24:1	<b>adam</b> 6:18 10:15	<b>adopted</b> 113:14	162:24
64:12 65:9	134:8	<b>adversary</b> 157:14	<b>agreed</b> 14:16
<b>achieved</b> 104:7,8	<b>add</b> 12:16	<b>adverse</b> 26:14	18:21 20:8 44:25
137:25	<b>added</b> 20:15	114:9	45:11 60:9 61:13
<b>achievement</b>	155:1	<b>adversely</b> 18:3	67:13 70:10 80:21
78:21	<b>addiction</b> 72:21	<b>advised</b> 164:21	84:15,20 86:13,17
<b>achieving</b> 65:18	<b>addition</b> 20:11	<b>aegean</b> 115:17	105:25 107:13
83:14	24:21 27:16 28:18	<b>afar</b> 71:15	108:11 132:13
<b>acknowledge</b>	29:20 31:5 39:10	<b>affect</b> 18:3 103:7	143:10 151:5
58:22	41:22 44:13 56:10	112:16,22,25	153:25
<b>acknowledged</b>	64:8 85:17 86:21	113:8 114:11	<b>agreeing</b> 50:2
29:12 49:9 67:4	97:20 98:12,21	116:13 123:13	83:7 107:10
70:22	101:9 102:14	<b>affiliated</b> 2:7	146:17 154:6
<b>acknowledges</b>	106:14 142:23	<b>affirm</b> 158:12	162:23
115:23	147:25	<b>affirmance</b> 91:11	<b>agreement</b> 15:1
<b>acquiring</b> 31:15	<b>additional</b> 37:25	120:22	16:11 21:6,17
<b>act</b> 41:20 49:20	91:20 151:23	<b>affirmative</b> 126:2	38:23 50:2,5
127:8	<b>address</b> 12:20	<b>affirmatively</b>	59:24 60:23 66:7
<b>acting</b> 49:23	22:7 23:8 28:2	128:9	66:9 69:12 70:14
<b>action</b> 13:23	29:7,18 32:23	<b>affirmed</b> 39:23	76:21 78:19 84:4
112:25 113:2	35:3,5 40:21 56:8	117:1,2 119:1	86:24 87:18,19,21
118:9 131:8 135:1	90:10 93:9 152:24	120:19	90:16 91:7 98:6
149:2 150:15	<b>addressed</b> 17:17	<b>afford</b> 118:1	99:14 102:2,5
154:14,20,21	81:18 107:16	<b>afforded</b> 127:15	105:7 106:3
155:2 161:15	119:21,22 125:15	157:25	107:15 110:5
			150:25 151:1

## [agreement - apply]

Page 6

152:3 161:7,9,18 164:5,8 <b>agreements</b> 13:19 87:15 <b>agrees</b> 62:1 <b>ags</b> 14:14,15 <b>ahc</b> 15:5 20:6 41:12 158:8 <b>ahead</b> 62:19 75:22 <b>aimed</b> 26:5 <b>airadigm</b> 122:12 125:16 128:5 <b>airlines</b> 136:12 <b>aisling</b> 8:16 <b>al</b> 12:3 <b>albeit</b> 33:8 45:8 67:22,23 74:4 75:16 104:18 132:5 134:14 145:7 <b>aleali</b> 4:16 <b>alexander</b> 7:16 <b>alfano</b> 4:17 <b>alice</b> 10:20 <b>aligned</b> 116:4 <b>allege</b> 29:8 <b>alleged</b> 60:18 111:20 131:8 132:21 <b>alleging</b> 112:21,23 113:22 114:1 <b>allen</b> 10:22 <b>allies</b> 37:17 <b>allison</b> 11:9 <b>allocated</b> 54:14 <b>allocates</b> 75:17 <b>allocating</b> 46:1 67:9,11 99:1 <b>allocation</b> 39:3 47:25 49:17 54:13 60:1,9 63:7 65:22 66:11,23 67:7 68:3,4 70:19	73:12 86:7,10 120:7 151:2,2 <b>allocations</b> 63:12 67:16 68:14 <b>allow</b> 61:5,16 <b>allowable</b> 42:11 <b>allowance</b> 52:22 <b>allowed</b> 42:7 52:16 61:1 140:22 <b>alluded</b> 107:12 <b>alter</b> 100:11 126:13 <b>alternative</b> 108:2 <b>alternatives</b> 85:5 <b>amanda</b> 8:14 <b>ambiguity</b> 17:4 <b>ambiguously</b> 16:20 <b>amend</b> 18:2 <b>amended</b> 2:5,9,12 12:6,8,9 13:7 21:19 38:3 46:20 <b>amendment</b> 126:9 <b>america</b> 110:1 <b>american</b> 33:24 35:7 51:22 52:3 54:10 55:22 83:2 86:12 124:6,17 <b>amount</b> 17:25 32:4 46:16 47:8 48:1 60:20,21 69:8 72:25 74:14 74:23 87:6,24 103:11 104:10 106:14,15,22 107:9 130:3 138:21 139:4,8,11 139:11,13,15 <b>amounts</b> 38:10,19 38:19 53:4 101:15 103:4	<b>ample</b> 39:10 65:20 <b>amr</b> 44:10 <b>amusing</b> 18:5 <b>analogous</b> 60:16 <b>analogy</b> 55:15 <b>analysis</b> 24:17 39:14,19 56:19 57:9 64:6,9 85:5 99:4,6 104:15 107:25 110:15,18 115:12 123:17 124:11 130:8 141:14,24,25 145:17 152:6 <b>analyze</b> 79:21 <b>analyzed</b> 46:11,13 46:13,14 140:20 <b>analyzes</b> 28:8 <b>analyzing</b> 112:7 <b>ancillary</b> 33:11 <b>anderson</b> 88:18 <b>andrew</b> 4:13,17 8:15 159:1 <b>angela</b> 6:20 <b>anker</b> 4:18 <b>ann</b> 7:15 <b>annexes</b> 15:16 <b>anniversary</b> 162:5 <b>announce</b> 19:9 <b>announcement</b> 18:20 <b>annual</b> 102:9 <b>anti</b> 40:1 <b>anticipate</b> 47:15 <b>anybody</b> 165:3 <b>anymore</b> 82:11 <b>anyway</b> 140:3 <b>aov</b> 59:12 122:19 <b>apart</b> 87:11,13 100:10	<b>apologies</b> 155:15 <b>apologize</b> 153:6 155:10 <b>apologizes</b> 157:9 <b>apology</b> 153:8,10 153:12,17,18 <b>app</b> 120:21 <b>apparently</b> 94:1 <b>appeal</b> 160:19 164:1 <b>appeals</b> 89:6 <b>appear</b> 143:12 <b>appeared</b> 40:17 <b>appearing</b> 111:15 127:5,7 <b>appears</b> 34:7 40:7 113:5 118:11 127:6,19 129:21 <b>appellate</b> 128:4 <b>applicability</b> 102:21 <b>applicable</b> 22:21 27:21 30:11,13,18 31:1 34:25 35:20 39:8 40:2 43:5 49:20 50:25 53:21 55:14 97:1,3 120:17 125:5 129:2 135:12 148:5 162:12 <b>application</b> 121:11 <b>applied</b> 34:3 90:13 114:20 128:4 136:25 <b>applies</b> 28:24 43:7 118:7 127:11 128:13 <b>apply</b> 20:13 36:2 39:21 52:11 53:6 55:16 63:4 64:9 90:4 97:25 102:20 134:23 142:21,24
---	---	--	--

**[apply - attorneys]**

Page 7

143:2 146:20 161:22 <b>applying</b> 134:6,18 <b>appointed</b> 15:4 82:16 <b>appointee</b> 14:23 <b>appreciate</b> 21:12 160:2 <b>apprise</b> 117:25 <b>approached</b> 105:17 <b>approaches</b> 105:16 <b>approaching</b> 95:21 162:4 <b>appropriate</b> 39:9 51:2 61:16 114:8 116:5 121:24 122:17 123:21 124:10 125:6 127:23 128:20 129:1,6,19 134:20 <b>appropriately</b> 80:22 124:23 125:15 128:4 <b>approvable</b> 107:9 <b>approval</b> 23:23 31:18 106:6 119:12 <b>approve</b> 35:1 88:8 88:19 90:4 119:18 126:17 <b>approved</b> 31:18 41:16,17 81:4 89:8 94:11,23 98:25 99:10 135:20 164:16 <b>approving</b> 90:2 98:16 <b>approximately</b> 26:18 69:13 74:15 75:13 87:17 91:21 95:15	<b>ardavan</b> 5:21 <b>area</b> 126:25 127:2 134:6 <b>areas</b> 127:4 <b>argentina</b> 64:18 <b>arguable</b> 110:24 <b>arguably</b> 23:4 35:19 37:6 38:6 49:25 52:23 66:14 101:22 111:2 <b>argue</b> 61:19 85:15 100:15 101:24 102:10,14,21 103:3 117:19 119:7 <b>argued</b> 29:21 49:12 132:8 139:10 <b>argues</b> 50:22 75:15 <b>argument</b> 17:7 19:8 24:12 33:8 37:2 40:16 46:10 46:21 49:10 52:14 55:19 61:3 63:1 69:25 93:8,12 125:9 132:13 143:21,25 145:2 148:13 <b>arguments</b> 43:22 56:7 69:24 74:9 102:24 124:21 142:16 <b>arik</b> 9:3 <b>arisen</b> 132:9 <b>arising</b> 110:22,22 131:2 <b>arm's</b> 90:21 <b>arms</b> 65:23 66:24 68:16 69:22 70:20 73:5,22 89:21 <b>arm's</b> 84:19	<b>arrangements</b> 44:25 <b>arriving</b> 107:2 <b>artem</b> 10:8 <b>artfully</b> 81:25 <b>article</b> 48:14 49:1 121:17,17 134:1,1 134:8 <b>asbestos</b> 29:18 39:19 126:1,2,12 126:25 127:2 <b>asked</b> 153:5 <b>aspect</b> 27:17 63:6 69:25 70:13 117:7 120:3 151:12 <b>aspects</b> 62:9 107:10 116:18 153:1 <b>assert</b> 25:15 38:16 75:10 81:23 124:24 150:16 151:16 <b>assertable</b> 88:2 <b>asserted</b> 23:16 33:6 38:8,25 53:2 57:21 71:3 85:19 88:2 130:6 131:21 132:19 134:25 143:4 <b>asserting</b> 38:18 55:18 111:19 129:24 149:3 <b>assertion</b> 26:25 110:10 131:15 150:17 153:25 <b>assess</b> 113:7 136:13 <b>assessed</b> 145:6 <b>assessment</b> 88:9 94:9,20 95:1 101:2 108:1 145:10 146:12 147:11,12,14,16	<b>assessments</b> 44:24 44:25 <b>asset</b> 116:2 <b>assets</b> 22:14 23:10 41:6 54:14,15 58:24 59:11,18 83:5 95:18,19,25 96:9 114:1 123:22 137:5,6 155:24 156:5,8,14,24 <b>assignability</b> 33:4 <b>assigned</b> 40:4 <b>assignment</b> 40:1 <b>assist</b> 14:23 80:17 <b>assisted</b> 92:2 <b>association</b> 118:22 <b>assume</b> 139:22 158:11 <b>assuming</b> 127:16 154:2,4 <b>assumption</b> 118:13 <b>assured</b> 87:12 <b>atinson</b> 4:19 <b>atkinson</b> 75:6 77:13 <b>attach</b> 51:9 <b>attached</b> 77:14 <b>attaches</b> 75:8 <b>attacks</b> 131:15 <b>attempt</b> 50:10 58:14 <b>attempting</b> 149:18 <b>attended</b> 89:9 <b>attention</b> 82:18 <b>attorney</b> 3:4,19 42:10,16 102:8 152:5 <b>attorneys</b> 4:2,9 15:7 41:22 43:4 45:8 46:3
--	---	--	--

**[attributes - begs]**

Page 8

<b>attributes</b> 59:15	162:24	<b>bankrupt's</b> 114:1	148:17 149:1,24
<b>auditor</b> 104:4	<b>b.r.</b> 30:15 53:1,16	130:7	150:8,18 154:17
<b>auslander</b> 4:20	53:17 59:13,16,19	<b>bankruptcy</b> 1:1	154:24 157:20
<b>authority</b> 24:5	61:18 65:2,3,5,6	1:11,23 20:18	<b>banning</b> 76:11
39:11,25 119:25	65:11 68:24,25	22:1,11,17,19,23	<b>bar</b> 26:20 29:16
126:14,17,22,25	69:2,14,15 88:23	23:20 24:4 28:5	48:8,13 128:7
127:14 128:20	97:19 115:3,18	28:10,17 29:16	148:16
129:4 140:15	116:24 117:1,1	30:7 31:2,4,22	<b>baranpuria</b> 4:21
150:22	118:22 120:14,16	33:15 34:25 35:1	<b>bargaining</b> 89:21
<b>authorized</b> 23:20	120:19 121:3	37:4,21 39:6 41:7	90:21
27:21	125:7 132:1	42:5,20,25 43:5,6	<b>based</b> 18:24 28:12
<b>automatic</b> 148:21	<b>back</b> 42:17 74:9	43:21,23 44:7	30:18 33:13 34:7
150:2,14	99:1 101:9 102:23	52:12,20 53:5,12	34:23 39:20 42:12
<b>available</b> 63:1	108:23 111:12	53:14,19,21 57:22	43:4 45:20 46:11
65:15 102:5	119:7 129:13	58:18 59:20 60:16	47:13 49:7,19
140:19	157:3,11 165:7	63:13 64:7,14	54:10 56:15 57:5
<b>avenue</b> 3:5,20	<b>backdoor</b> 131:14	65:11,18 66:8	71:1 75:17,19
<b>average</b> 28:20	<b>backing</b> 46:5	77:17 80:6 81:14	81:9 83:25 88:25
74:12	<b>baffling</b> 29:20	82:25 88:4,5,9,13	95:8 102:25
<b>avoid</b> 101:10	<b>bailey</b> 111:6	88:19 89:24 90:3	112:11 114:9
<b>avoidable</b> 92:8	<b>bailiwick</b> 97:6,8	90:7,9,24 91:14	116:10 118:11,16
103:13	97:23 98:3 155:25	96:18,19,22 97:1	119:16 123:9
<b>avoidance</b> 92:13	156:5	97:2,3 103:2,11	133:18 144:25
100:10 108:5	<b>balance</b> 75:12	109:8,10 110:11	145:6,10,19
<b>avoiding</b> 92:13	<b>balancing</b> 75:9	110:16 111:19	148:10
<b>awards</b> 44:25	<b>ballot</b> 28:12	112:5,15,17,22	<b>bases</b> 25:15
<b>aware</b> 102:17,18	<b>bank</b> 59:17 110:1	113:2,8,9,11,16	<b>basically</b> 55:19
103:17,25 119:5	118:2 122:1,24	113:25 114:6,7,15	116:4
<b>axes</b> 13:12	123:4	114:22 115:1,8,8	<b>basis</b> 14:19 22:8
<b>axiomatic</b> 109:7	<b>bankr</b> 30:15	115:19 117:13	27:18 33:14 53:13
<b>b</b>			
<b>b</b> 1:21 20:9,13	43:25 44:1,10	118:7,18 119:17	54:8,24 55:24
25:15 28:6 38:20	45:17 53:1,16,18	119:18,25 120:6	56:16 62:5,6
39:11,11 42:5,12	59:14,20 65:3,4,5	121:5 122:22,23	79:19 92:17 98:16
42:17 43:7 45:13	65:6,12 68:24	123:10 124:9,11	121:23 131:19,19
52:8 53:6 54:1	69:3,14,15 88:23	125:3,5,5,24	<b>bear</b> 22:24
63:2 96:4 100:17	115:18 117:1	126:6,14,22 127:8	<b>bearing</b> 60:6,6
104:17 109:9	118:22,24 120:16	128:10,13,18,19	140:10
112:3 119:20	125:8 133:9	128:21,22,25	<b>began</b> 129:21
120:4 128:25	134:10 140:4,5	129:4,7 130:23	<b>beginning</b> 20:5
134:22 148:20	144:19,20	132:16 134:3,6,9	104:15 126:19
150:13 154:2	<b>bankrupt</b> 109:24	135:18 136:8	155:7 156:19
156:6,16,24	113:24	137:19 141:10	<b>begs</b> 87:14
		143:6,24 148:16	

**[behalf - brutal]**

Page 9

<b>behalf</b> 13:2 55:12 74:2 75:7 92:6 158:24 159:1	<b>belonging</b> 130:7 <b>ben</b> 4:6 163:19	<b>bindings</b> 38:3 <b>bit</b> 16:17	<b>breaching</b> 161:14 <b>breadth</b> 89:18 108:12 109:21 115:8
<b>beholden</b> 73:8	<b>bench</b> 2:1 12:4 21:18 24:14,18,23	<b>bitter</b> 85:3 104:17	<b>break</b> 142:25 155:16
<b>behrmann</b> 140:5	24:24 155:16	<b>bitterness</b> 85:1	<b>breitburn</b> 65:6 68:23
<b>beiderman</b> 6:19	<b>beneficial</b> 80:1 96:21,25	<b>blabey</b> 4:22	<b>bressler</b> 4:25
<b>belief</b> 34:1	<b>beneficiary</b> 96:18	<b>blacklined</b> 12:6	<b>brethren</b> 151:22
<b>believe</b> 13:14,24 14:25 15:25 16:7 16:20 18:6,21 19:1 23:2 24:2,15 26:11 27:10,21 28:13 37:7 38:12 39:16 43:21 45:6 46:16 47:4 49:18 56:21 61:10 66:10 66:19 70:20 71:6 73:7,14,21 74:12 74:18 75:20 76:4 76:13 77:3,21 78:3,24 79:20 80:9 81:20 84:2 90:24 91:19 92:16 95:13 98:16,23 99:9 101:7 104:6 104:11 105:1,8 106:23 107:7 118:13 119:23 120:17,25 121:1,6 123:17 125:1,15 126:16 128:1,3 129:21 133:25 134:11 138:10,19 139:7 140:7,12 141:5 142:2,21 143:8 144:1 145:3 145:7 146:11 147:8,21 149:21 152:3,10 154:5,11 155:23 157:5	<b>blanket</b> 58:7	<b>brian</b> 8:2	
<b>believes</b> 49:7	<b>benefit</b> 13:14 14:2 44:23 46:3,6 48:4 62:22 70:1 82:5 85:13 86:25 91:15 97:16 99:16 130:9 130:10 131:3,3	<b>blixseth</b> 124:14	<b>bridge</b> 157:12 158:1,4,11 160:14
<b>belong</b> 92:15	<b>benefits</b> 37:18 86:15 89:4 98:15	<b>blyod</b> 48:6 49:6 49:13,21,25	<b>bridges</b> 48:6
	<b>benjamin</b> 3:9 157:8	<b>blyod's</b> 49:9 51:3	<b>brief</b> 20:7 160:3 163:16
	<b>benton</b> 114:17 115:21	<b>board</b> 14:5 15:8 64:18 92:6,21	<b>briefing</b> 24:9 164:5
	<b>beois</b> 72:10	96:6 102:13,14,19 103:21,21,23,25	<b>briefly</b> 12:20 20:6 163:19,21
	<b>bernard</b> 5:21 97:17 130:20	149:13	<b>briefs</b> 148:6
	<b>best</b> 23:19 31:21 32:13 56:18 73:5 83:24 88:21 143:23	<b>bodies</b> 153:3	<b>bring</b> 34:9
	<b>better</b> 17:22,22 71:24 72:3 80:12	<b>body</b> 22:3,13 23:1 94:4 105:4	<b>bringing</b> 42:23
	152:23 165:18	<b>bograd</b> 4:23	<b>broad</b> 25:17,20 27:14,20,25 77:18
	<b>beyond</b> 17:6,20 34:25 64:10 80:15	<b>bolding</b> 118:19	109:11 117:14
	91:13 108:5	<b>bona</b> 35:21 106:8	128:15,22 133:17
	<b>billion</b> 38:10	<b>border</b> 33:14 34:2	
	62:18 86:25 87:9	<b>bound</b> 13:21 22:21 122:16	
	87:15 92:7 95:15	124:20 134:13	
	95:22 96:1 99:15	158:13	
	99:15 103:12	<b>br</b> 39:22 43:25	
	147:1	44:1,5,10 45:17	
	<b>billions</b> 26:7	133:9 144:19,20	
	152:12	<b>brain</b> 105:19	
	<b>bind</b> 22:20 57:1	<b>brand</b> 14:5	
		<b>brauner</b> 4:24	
		<b>bravely</b> 125:1	
		<b>breach</b> 92:14	
		100:12 142:18	
		163:4	
		<b>breached</b> 143:8	
		<b>breaches</b> 161:9,13	

<b>bryce</b>	6:2	33:1 41:20,24	38:24 39:10,14,18	<b>caselaw</b>	113:6
<b>bulk</b>	42:21 72:15	70:3 83:20	40:17 41:9 42:14		114:24 121:14,15
	78:25 79:24	<b>canada</b>	42:19,25 43:2,17		127:20
<b>bulldog</b>	130:1	27:22 33:11 34:16	44:3,5 48:19,22	<b>caselaw's</b>	112:4
<b>burden</b>	30:10,12	34:20 51:10,13	48:25 50:13,17	<b>cases</b>	22:1,11,17
	30:23 31:6 74:23	55:12 154:23	53:5 56:21 57:10		22:23,25 23:9
	75:3,24 145:23	<b>canadian</b>	58:11 59:22 60:14		24:8,16 25:13
	146:4	33:17,18,20,23	65:13 68:18 69:18		29:2,17 30:16
<b>burdening</b>	164:24	34:3,6,10,15 51:5	71:15 72:2,7,18		39:23 40:11 51:8
<b>bureaucrat</b>	30:8	51:21 52:15 55:6	73:2,4 76:14,22		53:1 65:12 91:14
<b>burned</b>	105:15	55:11,19 56:5,10	76:25 77:2,3,6,8		110:11,21,22
<b>burnham</b>	53:17	56:18,25 61:3	77:19 80:11 82:13		112:5,21,23 122:3
	59:19 88:22	154:19	82:16,19,19,21,25		123:7,8,16 125:9
	131:20	<b>capable</b>	83:4 85:1 86:21		125:11,20 126:17
<b>buschman</b>	114:25	92:2 138:15 146:3	87:2 89:1,23		130:16 136:12
<b>business</b>	78:2	<b>capabilities</b>	90:12 91:9 92:25		140:1,14 145:1,13
	87:20,20 115:2	<b>capacity</b>	93:2 94:15,23,25		145:18
	152:17	<b>capital</b>	95:1 96:18 97:2	<b>cash</b>	60:25 66:19
<b>butler</b>	71:8	118:24 119:1	98:7 105:9,18,25	<b>cast</b>	28:14,14
<b>buying</b>	86:20	<b>care</b>	106:24 107:7,9		29:22,22
<b>c</b>		105:14	109:13,23 110:6,8	<b>casualty</b>	132:25
<b>c</b>	3:1 5:12,17 7:13	<b>careful</b>	111:3,7,8,14,15	<b>catastrophe</b>	23:8
	12:1 14:17 25:16	94:18 100:1	111:16 112:9	<b>catastrophic</b>	
	42:12 52:20 53:15	<b>carefully</b>	113:4,5,15 114:16	<b>categories</b>	28:25
	96:24 114:25	139:13 148:18	114:20 115:16,20		71:7
	167:1,1	155:11	115:21,21 117:5	<b>category</b>	73:20
<b>cahn</b>	5:3	<b>caroline</b>	117:13 118:6	<b>catherine</b>	6:19
<b>cajun</b>	45:19	<b>carr</b>	119:3,8 120:3,13		10:12
<b>calculated</b>	38:21	<b>carried</b>	122:4,5 123:18,20	<b>causation</b>	72:25
	117:24	146:4	124:3,6,9,16,17	<b>cause</b>	131:7
<b>calculations</b>	26:7	<b>carry</b>	129:13,15,21		132:20 134:25
<b>calendar</b>	163:16	<b>cartalemi</b>	130:8 132:5,7,22		135:1 149:2
	165:18	<b>carve</b>	133:2,22,23		154:14,21 155:2
<b>california</b>	70:6,10	<b>carved</b>	134:24 135:12,15	<b>caused</b>	26:2
	70:15 131:21,22	61:21	136:3,10 138:2,8	<b>causes</b>	13:23
	150:22	<b>carveout</b>	138:9,10,11,14,23		22:16 154:20
<b>california's</b>	70:8	<b>cascade</b>	139:16 140:14		161:15
<b>call</b>	13:11 161:8	<b>case</b>	141:2,9,9,16,19	<b>cautious</b>	76:17
	165:7,13	15:19 16:14 17:11	145:8,19,20	<b>caveat</b>	25:20
<b>callaway</b>	114:17	17:16,19 18:25	146:16,22 148:6		26:10
	115:21	22:16 23:21 24:25	149:17 151:25	<b>ccaa</b>	33:11,15
<b>called</b>	16:18 28:5	25:1 26:20 27:10	164:3,6,9,14		
	31:21 32:13,18	27:16 31:16,17	165:11		

## [ceasing - claim]

Page 11

<b>ceasing</b> 90:15	<b>channeling</b> 29:17	59:12 63:25 64:15	<b>circumstances</b>
<b>celotex</b> 109:16	<b>channels</b> 116:21	64:19,20,21 89:22	16:5 22:20 27:2
113:15	<b>chapman</b> 83:25	92:21,22 110:2,14	39:1 59:4 61:15
<b>center</b> 69:2	84:2,7 105:21	111:4 113:19,20	64:9,24 107:9
<b>central</b> 69:2 118:2	<b>chapter</b> 2:5 12:6,8	115:6 116:23	112:21 117:25
120:3	12:10 21:19 23:22	117:2 118:5 119:2	121:20,24 122:17
<b>cert</b> 117:3 120:10	32:6,12 33:15	120:21 121:25	124:10 125:6
122:9	42:19 45:8 81:23	122:3,9,11,12,13	127:23 129:19
<b>certain</b> 12:7 29:9	83:8 85:9 88:15	122:14,19,20	135:17 136:5
31:5,10,20 33:6,6	99:8 111:18 120:2	123:1,3,6,25	138:7,8
35:6,12 51:5	120:3 121:3 138:9	124:6,15 128:6	<b>citation</b> 113:13
57:18 67:23 68:4	138:13,18 141:10	130:2,21,22	<b>citations</b> 24:22,22
76:9 80:25 81:9	141:19 142:5	135:16 136:12	136:11
81:11 85:18	143:20 144:10,14	138:3 140:6 150:5	<b>cite</b> 69:2 111:4
101:15 108:10	145:1,8 148:24	150:7,19	114:15 115:21
114:15 125:25,25	<b>character</b> 59:10	<b>circ</b> 59:8	122:5
142:3 148:18	<b>characterization</b>	<b>circuit</b> 39:15	<b>cited</b> 30:16 39:24
161:8	58:8	50:16 55:7,8 59:7	40:11 53:1 65:12
<b>certainly</b> 16:13,23	<b>characterized</b>	64:1,16 68:17	68:18 113:15
17:17 18:8,14,17	136:5	89:1 95:7 107:1	119:9 122:3,4,7
26:15 47:2 114:5	<b>charges</b> 71:11,20	109:22 110:8,25	125:21 129:14
138:8 151:11	<b>charitable</b> 95:25	111:3,6,8,24	133:3 139:17
157:5 159:11	<b>charities</b> 87:17	112:1,13 113:14	140:15,15 148:6
<b>certified</b> 167:3	<b>charles</b> 48:6 67:4	116:19 118:6	150:5
<b>cetera</b> 66:6 72:17	<b>charlie</b> 14:17	119:8 120:22	<b>cites</b> 115:20
95:17	<b>cheap</b> 80:19	121:15,21 122:4,7	<b>cities</b> 15:20
<b>challenge</b> 37:16	<b>checked</b> 79:11	123:20,25 124:5,7	<b>citing</b> 50:17 69:13
<b>chalon</b> 5:4	<b>chemtura</b> 65:2	124:8,16 125:2,11	109:25 113:14,18
<b>chambers</b> 91:18	<b>chief</b> 91:10 120:23	125:17 128:6	123:24 128:16
163:5,14 164:9	135:7	130:3 132:13	136:11
<b>chance</b> 74:7	<b>choice</b> 61:12	135:14,16 136:9	<b>civil</b> 27:14 62:13
<b>change</b> 2:4 70:11	71:18 109:20	136:25 137:21	72:5 81:2,5 86:22
112:14 114:21	151:21	138:4 140:12	95:23 109:22
154:2,4,11 156:22	<b>choose</b> 137:18	149:5,25	110:21 147:11
<b>changes</b> 12:7,9,20	<b>christina</b> 9:9	<b>circuit's</b> 110:13	151:10
13:9,14 16:10	28:13	123:18 124:3	<b>claim</b> 25:15 29:1
17:21 18:6 21:16	<b>christopher</b> 9:12	129:13	31:24 32:2 34:15
40:19 76:12	10:2	<b>circuits</b> 121:22	34:16,18,19 36:9
<b>channel</b> 123:21	<b>chrysler</b> 148:8	122:21 128:9	36:20 38:13,17,22
135:21	<b>chubb</b> 35:10	132:4 135:14	38:25 46:23,23
<b>channeled</b> 32:10	<b>cicero</b> 5:5	136:24,25	48:13,18 51:7
56:12 66:16	<b>cir</b> 39:16,23 43:11	<b>circumscribed</b>	52:23 54:2,2,3,15
	45:19 55:5,9	39:6	55:12 57:4,7

**[claim - clear]**

Page 12

59:11 61:24,25 62:19,20,20 69:5 72:8,24 74:23 75:2 86:25 90:15 97:12 99:15 109:18 110:7,17 111:11,11,17,20 112:11,12 115:20 116:9,20,21 121:12,19 122:16 124:8 126:12 127:23 129:20,23 129:24 131:4,6,13 131:21 132:8,17 133:20 134:7,12 134:12,14,16,20 139:21 144:4,5,6 144:13,14,23,25 147:4,6 148:22 154:14,15,21,22 154:23 155:1,3,4 155:6 <b>claimant</b> 41:24 73:8,9 130:17 132:11,14 133:11 <b>claimant's</b> 69:20 <b>claimants</b> 23:19 25:12,13 42:1 54:15,16,17 55:7 55:8 62:11 68:22 69:8 72:15 73:18 74:2,4,20 86:16 86:16,17 104:24 115:5 129:8 137:18 140:21 <b>claimed</b> 121:18 <b>claims</b> 13:23,24 22:15 23:2,9,10 23:14,15,17,18 25:4,17 26:24 29:9,10,17,17 31:24 32:8 33:6 34:9 35:17,18,19	35:19 36:8 38:6,8 38:15,16,18 39:14 39:19 41:15,23 42:8,23 43:3 46:4 47:23,25 51:9,11 51:15,17,17 52:15 52:19 53:2,4,11 53:13,24 54:4,5,7 54:9 55:11,14 56:6,14,20 57:20 58:19,23 59:1,2,2 59:3,5,6,9,16,17 59:23 60:19,19,25 61:6,11,16 62:4,8 62:8,10,13 66:15 69:10 73:4,13 74:24 75:11,19 80:1,3 81:7,8,9,10 81:11,15,16 82:23 82:24 83:17,18 85:11,12,12,14,15 85:15,18,18,23,24 85:25 86:1,2,8,8 86:22 87:8 88:1,2 88:10 92:3,12,13 92:13,17 93:22 95:24 98:8,25,25 99:3 100:2,4,9,11 100:19,20,22 101:11,12 102:22 102:24 103:5 104:7,8,9,13,24 105:2 106:16 107:22 108:2,3,4 108:5,8,16,21,24 109:14 110:11 111:2,10,18,22 112:10,16 113:17 114:10,14 115:24 116:2,4,4,4,5,11 116:11,16 117:5,5 117:9,12,15 118:12 121:23	123:21,23 124:12 124:19,24 125:7 125:22 127:1 128:11 129:11,16 129:18 130:5,5,10 130:12,12,12,25 131:11,12,16,16 131:18 132:3,19 133:18 134:24 135:9,9,21,23 136:1 137:11,15 139:11,23 140:19 140:22 141:23 142:1,3,4,6,9,12 142:15,18,22 143:3,3,4,14,15 143:18,18 144:24 145:9,10,15,21 146:3,7,12,15,22 146:25 147:3,11 147:16,18 148:23 151:11 161:17,23 162:13 163:3 <b>clarification</b> 160:2 <b>clarifies</b> 16:9 131:14 <b>clarify</b> 17:1 21:15 <b>clarity</b> 34:9 <b>class</b> 28:4,15,18 29:3,11,14 31:24 31:25 50:12,21 51:20 52:1,5,6 53:7,9,9 54:3,5,6 54:7 55:8 56:12 56:13,19,23 57:4 57:11,11,23 58:1 58:10,16 59:1,7 60:1,11,13 61:25 62:2,11,22,22 63:2,7 68:13,22 69:4,19 75:14,15 90:9 115:4 126:3	129:8 137:12,15 139:18 <b>classed</b> 59:23 <b>classes</b> 28:2,7 51:23 52:6,10 53:23 62:2,4 137:12,15 138:24 139:3,19 <b>classification</b> 29:19 53:8,11 55:3,18,21,25 57:25 60:6 62:25 90:6,8 139:2 <b>classified</b> 29:9,10 51:22 55:13 59:5 60:8 62:13 <b>classify</b> 53:13 62:4,6 <b>classifying</b> 54:9 57:23 60:18 <b>claudia</b> 10:11 <b>clear</b> 13:17,25 15:2 17:6,19 18:2 18:6,15 20:4,16 21:2,21 23:24 24:2 25:2,14 26:24 27:13,17 34:14 36:23 37:8 38:4 44:12 47:12 47:19 48:3 51:8 54:21 57:9 59:4 65:25 67:12,14 70:16 71:13 78:24 79:24 80:4 82:8,8 82:15 83:10 84:9 85:5 87:10 91:10 94:3 96:14 97:13 100:25 108:19 117:9,11 121:22 126:11 127:19 138:16 139:4 144:10 151:18 154:19 164:12
---	---	---	---

**[cleared - completely]**

Page 13

<b>cleared</b> 111:13 <b>clearly</b> 12:24 22:24 27:6 54:8 59:22 62:6,15,25 64:16 71:20 79:25 90:20 95:12,15 105:9 107:2 125:3 133:22 139:20 142:5 147:4,23 <b>client</b> 152:5 <b>clients</b> 43:16 45:10,10,11 74:3 159:12 <b>clint</b> 5:16 <b>close</b> 55:15 101:1 139:24 <b>closely</b> 21:25 23:15 93:17 103:20 106:10,11 108:4 <b>cobb</b> 71:8 <b>code</b> 23:20 24:4 28:6,10,11,17 29:16 30:7 31:2,4 31:12,22 33:15 39:21 42:5,20 43:23 52:12,20 53:12,19 57:22 58:18 60:16 63:13 64:13,14 65:11 66:8 68:19 77:17 80:6 81:14 90:3,7 90:9 97:2 103:2 110:18 114:16 115:8 121:5 123:10 125:3,5,24 126:6 127:14,20 128:18,21,25 129:7 134:3 135:18 141:10 143:24 148:16,17 148:17 149:24,24 150:18	<b>code's</b> 39:6 89:24 <b>codifies</b> 128:18 <b>coercive</b> 84:13 121:19,23 <b>coffers</b> 86:19 <b>cogency</b> 67:2 <b>cogent</b> 78:24 <b>cogently</b> 125:1 <b>cohen</b> 3:18 <b>coleman</b> 5:6,8 <b>collateral</b> 15:16 15:23 101:3 <b>colleague</b> 83:25 <b>colleagues</b> 73:25 144:18 <b>collect</b> 95:15,20 96:17 149:21 <b>collectability</b> 97:11 142:1 <b>collected</b> 113:15 130:15 <b>collecting</b> 89:10 94:12,14 <b>collection</b> 43:3 94:21 95:2,5,16 98:11 99:21,25 104:16 105:11,25 107:15,16 142:24 146:14 147:6 148:1 <b>collective</b> 22:12 22:18 <b>collectively</b> 18:8 56:9 146:21 <b>collier</b> 53:14 59:20 64:6 150:7 <b>colloquy</b> 40:15 158:9 <b>colluded</b> 50:1 <b>collura</b> 92:5 <b>colo</b> 125:8 <b>colorable</b> 155:5	<b>colorably</b> 154:20 155:3,5 <b>columbia</b> 57:19 58:2,15 60:17 62:12 83:22 158:20 <b>come</b> 19:13 111:12 119:7 138:12 139:23 164:15,23 <b>comes</b> 147:1 <b>comfort</b> 14:20 104:1 <b>comfortable</b> 12:15 17:20 33:17 <b>coming</b> 15:2 48:2 87:7 <b>commencement</b> 42:25 <b>commend</b> 120:12 <b>comment</b> 128:2 <b>commentary</b> 127:6 <b>commentators</b> 114:24 <b>commented</b> 92:6 <b>comments</b> 19:19 27:8 <b>committee</b> 14:13 15:3,6,8 41:4 44:7 46:18,19 75:7 76:23,25 77:14 82:21 83:11 84:23 88:16 91:2,4 92:3 92:7,10 93:4,24 94:16 122:25 126:21,24 127:3 154:6 <b>committee's</b> 75:8 <b>committees</b> 75:9 82:22 <b>common</b> 44:23 134:9	<b>commonwealth</b> 150:5,6 <b>communications</b> 122:13 125:17 128:5 <b>communities</b> 79:15 80:2 <b>community</b> 79:15 <b>companies</b> 37:3 77:23 78:8 87:21 143:5 150:6,6 <b>company</b> 35:7,8,9 39:22 40:11 45:17 45:18 59:13 69:14 77:22 78:1 82:11 92:20 102:2 103:20 106:11 110:14 111:5 112:8 115:10,25 116:1 118:3,5 121:25 122:10,24 123:1,4 128:16 132:8,25 133:1 144:20 152:24 153:17 164:22 <b>comparable</b> 42:14 <b>compared</b> 13:18 58:3 <b>comparing</b> 32:14 <b>comparison</b> 99:22 144:11,24 <b>compel</b> 122:23 <b>compensation</b> 41:2 42:9 73:1 136:23 <b>competency</b> 89:15 91:25 <b>competing</b> 22:13 <b>complaints</b> 51:9 135:6 162:19 <b>complete</b> 15:10 <b>completely</b> 16:24 37:6 71:11 83:12
---	---	---	---

[completely - consists]

Page 14

85:2 138:19 <b>complex</b> 16:5 22:1 23:9 27:5 86:6 89:7 94:10 107:24 138:11,20 <b>compliance</b> 102:3 102:11 118:17 158:12 <b>complicated</b> 60:9 117:20 <b>complies</b> 89:24 <b>comply</b> 31:1 43:7 <b>component</b> 137:24 <b>comports</b> 13:8 <b>composed</b> 76:24 <b>comprehensive</b> 69:21 101:7 152:4 <b>comprising</b> 42:9 91:22 <b>compromise</b> 43:15 44:19 47:7 47:8,10 66:3 88:15,19 <b>compromises</b> 47:3 88:1 99:11 <b>compromising</b> 44:20 <b>conceded</b> 49:15 52:4 <b>concededly</b> 120:1 <b>conceivable</b> 23:25 29:25 109:15,24 113:10 115:13 <b>concept</b> 36:13 127:3 140:13 <b>concern</b> 17:3 37:5 45:6 <b>concerned</b> 12:18 38:15 60:13 78:22 93:5 106:9 119:10 142:9	<b>concerns</b> 65:14 66:3 76:3 <b>concessions</b> 16:13 <b>conclude</b> 27:23 30:21 56:17 68:12 69:23,25 70:23 114:3,9 116:7 118:17 147:14 <b>concluded</b> 121:6 132:15 141:7 145:11 166:12 <b>concludes</b> 21:14 69:3 <b>concluding</b> 59:14 <b>conclusion</b> 39:25 71:17 <b>conclusions</b> 12:12 12:15,18 24:7 136:15 137:20 <b>concomitant</b> 130:25 <b>conditions</b> 125:25 <b>conduct</b> 53:5 56:15 57:5 71:12 76:6 81:10 113:22 132:19,20,24 133:5,6,19 134:24 142:19 149:11 151:14 152:16 153:6 <b>conducted</b> 29:24 43:17 60:3 76:16 90:22 93:10 147:16 <b>conferences</b> 91:18 <b>conferred</b> 164:4 <b>confident</b> 156:13 <b>confidentiality</b> 91:8 <b>confirm</b> 63:14 120:6 143:17 145:12 154:3,5,25 155:11	<b>confirmation</b> 2:5 2:10,12 12:5,11 14:18 16:9,19,25 20:16 21:19 23:22 25:8,16 26:20 27:24 28:7,9,19 28:21 31:13 32:19 34:22 35:4,13 36:11,17 37:11,15 37:22 41:11 49:16 52:17 57:19 70:11 72:19 75:11 76:1 117:23 119:11,19 124:12 138:18 154:10 155:8,11 157:17,19,21 158:6 159:21,23 160:7,8 161:3,21 161:25 162:2,11 162:15,16,17 163:15 164:19 <b>confirmed</b> 30:12 33:22 82:16 120:2 126:7 138:14 <b>confirming</b> 117:3 119:17 <b>conflicts</b> 3:12 20:1 63:22 <b>confusion</b> 110:25 <b>cong</b> 127:4,7 <b>cong.rec.</b> 150:11 <b>congress</b> 24:3 29:15 44:6 45:12 71:25 78:9 109:19 128:9 148:20 150:12 <b>congress's</b> 45:6 <b>connecticut</b> 152:19 <b>connection</b> 20:10 31:16,17 116:2 117:23 126:15	<b>connolly</b> 5:7 <b>conroy</b> 44:15 45:4 45:23 73:24 74:17 152:8 <b>consensual</b> 84:13 108:7 133:15 136:13,16 <b>consensually</b> 80:21 <b>consensus</b> 63:17 <b>consent</b> 36:9 38:13 39:4,5,8 94:18 109:5 128:11 <b>consenting</b> 4:9 91:4 93:3 94:17 94:17 136:21,22 <b>consequence</b> 132:18 <b>consequences</b> 49:7 69:18 72:7 105:15 151:23 <b>consider</b> 51:2 81:13 <b>consideration</b> 17:25 101:23 120:1 133:13 135:21 138:1,21 138:22 140:7 141:6,6 <b>considerations</b> 136:16 <b>considered</b> 65:9 89:1 138:5 139:12 160:3 <b>considering</b> 108:2 <b>consistent</b> 44:24 64:12 65:10 74:22 91:24 132:22 154:18 158:14 164:3 <b>consists</b> 76:25
--	---	--	--

<b>consla</b> 5:9	110:9 112:4	138:17	<b>correct</b> 20:22
<b>constituency</b>	119:25 121:5,7	<b>control</b> 82:3	121:1 156:20
76:13	123:22 138:6	103:25 131:22,23	160:20
<b>constitution</b> 48:14	139:8 140:23	150:23	<b>correcting</b> 24:21
49:2 66:3 116:17	141:11 145:7	<b>controlling</b> 23:11	<b>correctly</b> 121:6
134:2	152:14 153:12,24	82:1 142:13,20	164:13
<b>constitutional</b>	160:4	148:10	<b>cost</b> 42:14 75:2
120:5	<b>contexts</b> 63:10	<b>controversial</b>	88:7 94:9 95:16
<b>constraints</b> 80:13	148:20	162:20	98:14,15,21
<b>construction</b>	<b>continental</b>	<b>controversy</b> 48:23	146:13 148:1
126:11 148:7	132:25 136:12	48:25	<b>costs</b> 31:16 41:24
<b>construing</b> 133:14	<b>contingencies</b>	<b>controverted</b> 44:9	41:25 42:1,2 43:4
<b>consultation</b> 91:4	46:11	46:14	98:17,18 142:7
<b>consultative</b>	<b>contingency</b>	<b>conversion</b>	165:8
79:14	44:16,23 45:25	141:19	<b>couched</b> 52:12
<b>contact</b> 164:9	46:12,23 47:3,8	<b>convert</b> 141:9	<b>counsel</b> 3:12 20:1
<b>contacts</b> 84:1	47:14,17 74:11,15	<b>cook</b> 63:24	40:16,16 41:4,15
<b>contains</b> 15:13	<b>continue</b> 19:12	<b>cooked</b> 80:8,8	41:15,19,21,24
86:2 99:5 161:7	41:9 76:8 101:16	<b>core</b> 19:7 120:1,4	46:2,17,18 49:9
<b>contemplated</b>	159:4 160:24	120:4,24,25,25	58:23 71:5 89:15
27:14 46:22	166:1	121:8	91:25 92:2 107:13
<b>contemplates</b>	<b>continued</b> 17:23	<b>corning</b> 55:8,9	138:15 154:18
164:17	85:6 98:14	115:3,5,5 122:11	164:4,7
<b>contemplation</b>	<b>continuing</b> 13:25	<b>corp</b> 30:15 44:1	<b>count</b> 163:12
26:15	113:12 152:22	44:10 49:3 55:4,9	<b>counted</b> 52:5
<b>contend</b> 32:8	<b>contract</b> 39:5 43:4	55:9 64:14,20	<b>counterparts</b>
36:10 37:5 60:25	<b>contracted</b> 94:10	65:2,11 68:25	33:24
103:10,13	<b>contrary</b> 43:22	69:15 97:17	<b>country</b> 21:23
<b>contended</b> 31:20	47:23 63:22 64:1	109:16 110:1	27:22 167:21
33:7 45:23 56:11	82:9,14 102:24	111:4 112:8	<b>counts</b> 30:6
72:12 81:1	143:22 144:21	113:15 115:3,5,5	<b>county</b> 118:21
<b>contending</b> 48:7	<b>contrast</b> 36:19	118:24 119:1	<b>couple</b> 13:3
80:9	44:10	122:11 123:25	<b>coupled</b> 87:15
<b>contends</b> 42:3	<b>contributed</b> 21:22	125:18 129:9,9	<b>courageously</b>
63:10,12	137:6	130:22 132:1,1	105:21
<b>contention</b> 34:23	<b>contributing</b>	133:2,9 140:4	<b>course</b> 13:17
42:20 52:1 109:2	104:11	150:19	14:14,21,22 15:7
<b>contest</b> 45:22	<b>contribution</b>	<b>corporate</b> 87:4	15:8 17:7 24:21
<b>contested</b> 30:25	42:19 70:8 110:5	92:14 100:11	26:8 29:24 30:6
31:5 75:20	135:24 136:19,20	102:2 129:24,25	33:18 34:5 36:3
<b>context</b> 39:17	137:11 141:1	<b>corporation</b>	38:23 51:1 66:2
72:1 88:9,13	<b>contributions</b>	144:19 148:12	78:17 81:4 93:10
90:13 94:1 106:20	66:16 116:3		95:3 100:3 102:17

[course - date]

Page 16

102:19 103:16 108:14 111:9 114:18 152:20 155:22 166:7 <b>court</b> 1:1,11 12:2 12:20,25 13:10,17 16:1,7,8,21 17:7 18:23 19:15,16,24 20:2,21 21:2,12 23:22,23 28:8 31:18 33:10,17,19 34:3,6 36:17 41:6 41:9,17,17 43:20 44:5 45:7 46:24 48:15,17,20,24 49:12,20 51:1 63:14 64:1 69:1,7 69:11 88:19 89:16 90:3,24 95:7 96:13 98:4,13 106:25 109:3,16 110:15 111:19 112:15 114:17 115:1,11,19 117:22 119:17 120:13,13 121:7 121:16 122:22,23 125:2 126:16,22 128:10,22 129:1,4 129:15 130:11,16 132:15 133:8 136:2,8,11,13 137:19 138:12 147:12 149:1 154:17,24 156:10 156:19,24 157:7 157:22 158:1,4,9 158:22 159:9,16 160:5,12,15,18,23 161:11 162:21 163:1,5,7,10,13 163:22 164:10,16 165:17 166:3,8,10	<b>court's</b> 13:5,8,25 18:22 19:2 20:10 34:25 39:19 52:17 110:9 113:25 115:7 119:18,25 121:11 127:14,21 127:22,25 128:19 129:17,18 133:14 134:4 157:12 <b>courtroom</b> 24:11 <b>courts</b> 16:22 22:22 24:4 63:16 63:19 64:8,22 65:8 68:20 69:11 72:21,25 89:1 90:12 109:7,8,10 109:11 110:19 115:12 116:18 120:6 123:8 125:16 126:14 135:17,19 138:13 145:14,18 <b>covenants</b> 15:24 76:20 <b>cover</b> 94:20 <b>coverage</b> 21:5 27:16 35:21 36:1 36:19,21 40:3,9 <b>covered</b> 13:13 41:8 114:10 132:3 132:10 135:10 <b>cowan</b> 67:4,13 70:23 <b>cramdown</b> 28:5 28:16 52:8 63:2,3 <b>created</b> 51:24 <b>creates</b> 104:25 132:15 <b>credible</b> 14:20 <b>credit</b> 15:16,23 124:14 <b>creditor</b> 22:3,10 22:25 34:15 42:18	52:2 58:1,1 94:4 103:1 105:4 144:12 <b>creditor's</b> 128:11 128:11 <b>creditors</b> 14:24 15:4 18:3 22:13 23:16 26:4 33:9 33:20,23 34:10 35:16 37:19 41:5 43:3 44:7 48:1,1,4 50:18,23 51:20,24 52:10 53:8 54:10 54:20 56:1,5,13 56:18,20 57:4,11 58:9,25 60:2 62:23 65:15,18 75:5,7,10,22 76:23,24 77:4,14 82:20,21 83:3,4 83:11 84:23 85:13 86:11 87:1 89:11 89:12 91:4 92:10 92:18,19 93:2,4 93:18,19,24 94:16 97:15,16 99:8 102:25 122:25 124:24 129:5 136:21,22 138:1 139:3 140:10 141:12,13 145:8 146:15 151:24 154:6 <b>creighton</b> 48:5 <b>criminal</b> 49:8 71:11,12,20 72:6 76:6 86:22 100:23 107:6 118:15 <b>crisis</b> 21:23,25 25:5 38:11 39:4 66:6 67:25 70:17 <b>criteria</b> 127:17	<b>critical</b> 15:25 24:15 34:11 42:21 136:18 138:18 <b>critically</b> 14:18 <b>cross</b> 33:14 34:2 67:3 <b>cruel</b> 72:3 80:24 <b>crystal</b> 27:17 48:3 71:13 83:10 84:9 <b>ct</b> 48:21 117:3 122:10 <b>cumulative</b> 127:1 <b>cunningham</b> 5:10 <b>current</b> 108:12 <b>currently</b> 17:13 <b> cushing</b> 97:7 143:7 <b> cushing's</b> 97:24 <b>cut</b> 50:10 <b>d</b> <b>d</b> 1:22 4:18 10:9 12:1 25:16 39:22 42:12 53:1 59:14 117:1,2 120:14,16 125:8 131:25 150:24 <b>d.c.</b> 122:20 <b>d.n.m.</b> 118:23 <b>daily</b> 22:8 <b>damage</b> 55:11 <b>damian</b> 8:21 <b>dana</b> 68:25 <b>dangerous</b> 76:15 77:24 152:25 <b>daniel</b> 5:7 7:17 9:21 11:11 <b>danielle</b> 7:19 <b>darren</b> 7:12 <b>dasaro</b> 5:13 <b>date</b> 26:20 32:3,6 41:11,11 48:8,13 84:3 103:11 127:11,16 144:7
---	--	--	---

[date - denied]

Page 17

157:18 159:20	123:13,20 131:2,9	108:24 109:12,15	<b>deducting</b> 74:11
160:9,10,10,14	132:9,10,25 133:4	113:1,22 114:13	<b>default</b> 108:15
162:16,18 167:25	133:10,11,11,12	115:2,13 117:10	<b>defeat</b> 53:5
<b>david</b> 4:22 5:1	134:16 135:20	117:16 122:16	<b>defend</b> 130:23
8:12 11:13	136:4 137:2,4,5,6	123:23 126:18	<b>defendant</b> 111:22
<b>davis</b> 3:3 5:14	137:9,11 143:14	132:18 133:4	130:18
157:9	143:19,19 144:9	135:9,23 141:9	<b>defendants</b> 16:14
<b>day</b> 17:11,11	145:14,19 166:9	147:18 152:4,5	17:25 20:14,25
24:10 36:12 84:6	<b>debtor's</b> 96:22	154:7 157:6,9	74:9 83:10 96:3
84:6 91:9 158:6	112:20 130:14,24	158:3 159:14	<b>defense</b> 21:4 36:7
162:1,8 165:11	131:1,3 132:24	164:4	<b>defenses</b> 72:24
<b>days</b> 24:11 157:22	133:6,19 134:13	<b>debtors'</b> 79:24	100:1,15 142:17
159:21,22 160:18	134:24 136:19	80:16 81:7,15	<b>defer</b> 158:23
162:18 164:18,20	137:5 141:12	82:4 84:24 85:12	159:6
164:20	142:11 148:24	<b>debtor's</b> 78:25	<b>defined</b> 22:20
<b>dc</b> 59:12	158:10	83:5	41:2 131:6
<b>deal</b> 15:13 16:3,4	<b>debtors</b> 2:7 3:4,12	<b>decade</b> 74:1	<b>defines</b> 68:20
16:12,12 17:15	12:5,8,19 13:2,2	<b>decide</b> 36:18	<b>definition</b> 129:23
108:21 121:16	19:23 20:1,8,12	48:15 91:17	131:7 149:8,20
153:2	21:18,24,25 22:4	<b>decided</b> 126:24	154:15 160:6
<b>dealing</b> 22:14	22:9 23:10,13,17	149:4 166:5	<b>definitions</b> 108:19
63:23 73:11 76:19	23:17 25:3,7,16	<b>deciding</b> 88:7	<b>definitively</b> 149:5
90:5 111:1 121:3	25:22 26:1,6,22	96:14,15 98:5	<b>degree</b> 75:3 89:12
125:12	27:14,23 30:22	<b>decision</b> 33:18	93:18
<b>deals</b> 121:18	31:6 33:4,11,20	34:5 94:6,7 101:1	<b>degrees</b> 153:16
126:1	33:21 34:10,18	110:13 121:9	<b>del</b> 11:14 39:22
<b>dealt</b> 49:4 73:13	35:12,14,25 36:4	<b>decisions</b> 100:21	59:14 117:1,2
110:8	36:6,15 37:10,17	<b>declaration</b> 25:9	120:15,16 131:25
<b>dearman</b> 5:15	38:7,23 39:7 40:1	25:10 28:12 30:20	150:24
<b>deaths</b> 68:10	49:8,11,14 50:1,7	33:3 34:8 36:1	<b>delaconte</b> 141:15
<b>deborah</b> 6:15	51:8,10,11,12,14	38:20,21 45:2,3,4	<b>delay</b> 25:6 88:7
74:16	51:18 52:23 54:14	56:19 73:23 74:5	89:5,9 98:14,15
<b>debt</b> 96:25 98:2	56:22 57:6,8,13	74:25 75:6 77:12	<b>delconte</b> 30:20
123:12,15	58:24 59:18 65:16	77:12,13 97:7,24	33:3 56:19 77:12
<b>debtor</b> 1:9 22:13	66:15 77:5,7 80:2	99:5	<b>delconte's</b> 34:8
31:14 32:5,21,22	82:1,1,3,10,11,12	<b>declarations</b>	99:5
33:20 34:16 45:9	82:23 83:7,18	25:11 30:19 45:24	<b>delineate</b> 109:19
49:17 51:10 59:11	86:21 87:7,7,20	74:16 92:5	<b>delivering</b> 25:6
65:16 81:8,8,10	88:1,2 91:2 92:1,3	<b>dedicated</b> 83:5	<b>denials</b> 103:22
81:11 83:4 112:16	92:7 93:21 94:18	105:23	<b>denied</b> 61:2,3
114:6 115:24	96:20 98:24 99:2	<b>dedicating</b> 78:25	70:24 117:3
116:1,2 117:10	103:13 106:24	<b>dedication</b> 87:16	120:11 122:9
118:8,10 119:5	107:13,21 108:22	95:24	

[denying - distinguishable]

Page 18

denying 154:10	detailed 12:14 102:12	differently 29:8 29:11 62:7 68:7 68:10,11	disclosures 76:10 discouraging 65:16
dep't 40:11	details 74:21	differing 27:9 153:15	discovering 92:3
department 4:1 14:13,23 15:4 38:22 49:9 50:1,8 100:24 102:1 131:21,23 150:22	detection 102:8 104:5	difficult 60:3 66:1 73:5,11 143:9	discovery 90:23 91:1,7,8,13,14,17 91:19,20 92:10
depend 138:21 147:17,19	determination 36:22 47:5 49:1 77:18 107:23 120:23 144:22	difficulties 138:10	93:13,14 95:17 98:18
dependent 132:24	determinations 37:7	difficulty 75:1 89:10 94:11,14 95:2 99:20,24	discretion 49:19
depending 99:20 116:7 163:12	determine 29:25 59:8	diligence 98:9	discrimination 52:9 63:1
deplete 137:5	determined 46:25 130:11 145:18	diluted 64:5	discriminatory 33:19
depository 90:17 152:4 153:21	determining 29:23 88:18 128:7	dilution 72:24	discuss 17:16 112:5 159:12
deprives 151:10	detract 55:2	dilutive 141:18 146:14 147:5	discussed 68:17 77:13 86:9 113:4 128:1,3 129:15
depth 84:2	detriment 46:7 48:4 151:24	direct 21:7 25:10 83:17 98:18 113:23 116:1 143:4	discusses 132:5
derivative 108:21 111:11,23 112:4 112:10,19,21,23 113:1,7,17,22 114:2 116:12,12 129:16,20,23 130:5 131:9 134:12 147:18 154:15	deutsche 122:1	directed 83:23 95:7 105:20	discussing 54:13
derive 142:10	development 65:2 80:17	direction 13:5,17	discussion 52:25 70:10 149:6 150:8
derived 66:24	developments 79:6	directions 14:1	discussions 84:1
derogates 36:8	devised 126:12	directly 75:4 112:16,25 115:9 120:17	disorder 26:14 80:18
described 40:20 70:15 71:18 74:5 77:11,16,22 79:17 79:23 83:15 86:15 87:5,24 98:23 127:17 147:7 158:7	devote 25:3	directors 14:6 23:12 64:18 89:19 142:13,20	disorders 68:11
describing 74:25	devoted 106:12	directs 129:13 154:13 164:6	dispositive 89:25 138:4
designate 53:23 58:17	dial 2:4	disagreeable 33:10	disproportionat... 66:5 73:9
despite 110:7	dialog 165:5,6	disagreed 111:24	dispute 53:3 91:17 110:24
detail 12:14 108:17 112:6 155:9	dichotomy 134:2	disallow 58:16	disputed 52:22
	dictates 118:18	disappear 99:17	disputes 91:19
	didn't 79:18	discharge 123:12 124:7,12 125:21 148:24	disputing 151:7
	difference 69:20	disclaimed 40:8	dist 118:25 150:23
	different 13:12 33:22 52:2,10,12 54:11 55:13,15	disclosure 52:17	distinction 55:6 125:19 139:16
	62:2,4,7,10,15,16 62:24,24 68:9 71:7,16 76:10		distinguish 121:2 125:21
	90:11 97:25 136:10 140:13 155:4 160:11		distinguishable 44:4

## [distinguishing - either]

Page 19

<b>distinguishing</b>	149:10	<b>documentation</b>	19:21	<b>drawing</b>	114:5	<b>eckstein</b>	5:20
<b>distributed</b>	132:10	<b>documents</b>	13:7	<b>drexel</b>	50:17	<b>ecro</b>	1:25
<b>distributing</b>	66:14		14:4 16:15 38:1		53:17 59:19 88:22	<b>edan</b>	7:21
<b>distribution</b>	32:11		91:21 156:6		122:5 131:20	<b>edition</b>	53:15
	38:6 40:5 65:17	<b>doesn't</b>	79:8,11	<b>driven</b>	39:18		59:21 64:7
	74:24 77:23 78:2	<b>dogged</b>	74:2		82:19	<b>edward</b>	8:17
	78:16 89:24	<b>dogpatch</b>	113:19	<b>dubel</b>	5:18 30:20	<b>edwards</b>	109:17
	113:25 138:2	<b>doing</b>	14:8,9		92:6	<b>effect</b>	23:19 35:20
	141:22		20:13 74:13	<b>due</b>	35:21 37:5,23		78:24 104:12
<b>distributions</b>	35:16	<b>doj</b>	49:14,17,22		98:9 116:16 117:7		109:15,24 110:4
			50:4,11,23 87:3		117:13,21,22		112:11 113:10
			95:23 96:1 164:16		119:13		114:9 115:13
<b>district</b>	1:2 43:1	<b>dollar</b>	60:20,21	<b>dunaway</b>	121:2		116:10 127:11
	43:24 44:5 49:12		139:7	<b>duty</b>	92:15 100:12		128:20 141:18
	49:20 51:1 57:18	<b>dollars</b>	73:1		102:15 111:21		146:14 147:5
	58:2,15 60:17		100:22 152:12		142:19		150:14 156:21
	62:12 64:22 65:8	<b>domestic</b>	156:7	<b>dylan</b>	5:9		162:1
	83:21 109:10	<b>donahue</b>	130:1	<b>d'angelo</b>	5:11	<b>effective</b>	26:11
	110:19 131:24	<b>don't</b>	79:17 80:9	<b>d'apice</b>	5:12		32:3 41:10 73:18
	135:7 158:19		80:10				73:20 83:15 144:7
<b>districts</b>	46:19,23	<b>door</b>	108:23	<b>e</b>			157:18 159:20
	72:17	<b>doubt</b>	17:20 62:25	<b>e</b>	1:21,21 3:1,1		160:9,10,10,14,16
<b>ditech</b>	30:14		141:2		4:22 8:11,17,18		161:17 162:16
	65:11 144:19	<b>dougherty</b>	5:17		9:24 10:19 12:1,1	<b>effectively</b>	70:14
	145:13	<b>douglas</b>	8:3		17:10,12 42:12		125:19
<b>diversified</b>	123:3	<b>douglass</b>	9:4		52:25 61:17 88:17	<b>effectiveness</b>	35:13
<b>diversion</b>	102:8	<b>dovetailed</b>	135:8		104:17 123:9	<b>effects</b>	22:3,8
	104:4	<b>dow</b>	55:8,9 115:3		124:4,11,20 125:3		26:14 106:13
<b>divided</b>	74:13		115:5,5 122:11		125:13 127:20	<b>effectuate</b>	18:22
	96:3		125:18 129:8,9		128:7,12 154:12		162:10
<b>dividing</b>	128:8		140:14		155:2 157:20	<b>effectuates</b>	19:2
<b>divisions</b>	96:5	<b>dozen</b>	15:6		167:1	<b>effectuation</b>	36:5
<b>dmp</b>	19:21	<b>dozens</b>	16:25	<b>e.d.</b>	69:3 115:3	<b>efficient</b>	165:14
<b>dmgs</b>	18:24 20:5,8	<b>dr</b>	67:3 78:15		118:24	<b>efficiently</b>	74:22
	20:11	<b>draft</b>	17:24,24	<b>earlier</b>	16:3 48:9	<b>effort</b>	45:21 61:4
<b>docken</b>	5:16	<b>drafted</b>	17:5		51:5 62:3 127:18	<b>ego</b>	100:11
<b>docket</b>	17:3 44:14		37:25		139:6 164:18,19	<b>eight</b>	96:4 164:20
	156:4 157:13	<b>drain</b>	1:22 12:3		175:21	<b>either</b>	34:24 39:3
	164:24		165:15		<b>easy</b>		40:8 71:17 72:6
<b>document</b>	14:18	<b>dramatic</b>	114:21		75:23		94:22 104:2
	15:3,12 90:17	<b>dramatically</b>			<b>eat</b>		139:10 153:2
	152:4 153:21		80:12				

<b>election</b> 30:7	<b>enforce</b> 98:1	73:16 78:19 81:3	<b>establishment</b>
<b>elections</b> 29:24	121:19 149:10,18	81:6 83:2,12 86:8	64:24
30:9	<b>enforceability</b>	86:12 91:5,12	<b>estate</b> 17:22 41:3
<b>electric</b> 45:18,19	97:9 104:19	92:9 93:3,25	42:8 46:3,6 62:23
<b>element</b> 36:15,22	<b>enforceable</b> 43:6	117:16 146:9	65:18 88:22 92:12
152:1	97:1,2 126:23	148:19 149:16	92:15,18 96:22
<b>elements</b> 30:11	<b>enforcement</b>	<b>entitled</b> 28:2,23	99:2,8 101:11
90:10 153:22	107:14 127:22	62:19 99:17	102:23,24 103:13
<b>eleventh</b> 2:5 12:9	161:7	<b>entitlements</b>	108:3 109:16,24
20:9 21:19 136:24	<b>enforcing</b> 116:9	94:21	112:12,17,22,25
<b>elisa</b> 6:25	<b>engage</b> 87:19	<b>entity</b> 42:11 61:8	113:11,24 114:6
<b>elizabeth</b> 9:23	<b>engaged</b> 61:10	123:14,14 129:25	114:12 115:13
<b>elliot</b> 118:4	72:6 78:1 151:14	130:1 149:21	116:5,11,13,22
<b>eloquent</b> 74:25	<b>engineering</b>	<b>entry</b> 157:12,22	120:8 122:16
<b>email</b> 165:7	122:18	158:5 159:21,22	123:5 124:16
<b>embarrassing</b>	<b>enjoin</b> 109:14	161:3 164:18	130:7,7,10,14,19
80:23	111:20 112:15	<b>epidemic</b> 63:9	130:24 131:1,14
<b>embodied</b> 74:19	114:7 150:10	<b>equal</b> 68:20 69:9	131:16 132:16
<b>emergence</b> 164:19	<b>enjoined</b> 21:9	<b>equality</b> 69:13,13	135:20 137:5
165:2	51:18 56:13	<b>equally</b> 66:2	140:9,10 141:7,12
<b>emergency</b>	132:23 135:21,23	117:21 142:21	141:22 142:1,17
164:12,24 165:1	135:25	146:20 156:8	150:4 165:8,15
165:21	<b>enormous</b> 23:10	<b>equated</b> 124:7	<b>estate's</b> 41:6
<b>emily</b> 6:16	58:3 130:3	<b>equitable</b> 88:21	93:22 98:8,25
<b>eminently</b> 44:4	<b>ensure</b> 14:7 15:21	126:23 128:15,23	99:3 100:2,9
<b>emotion</b> 153:16	75:4 76:14 80:15	134:5	104:8 107:21
<b>emphasize</b> 144:5	161:16	<b>equity</b> 128:14	108:2,4
<b>emphasizing</b>	<b>ensuring</b> 14:19	<b>eric</b> 10:14	<b>estates</b> 66:15
144:8	<b>enter</b> 111:9 116:8	<b>eskandari</b> 5:21	85:14 88:2 131:10
<b>employ</b> 123:17	121:11 158:4	<b>especially</b> 22:14	<b>estate's</b> 85:11,12
<b>enable</b> 82:3 138:1	<b>entered</b> 16:15	152:14	85:23,25
<b>enabled</b> 107:4	38:23 41:9 91:11	<b>essence</b> 18:22	<b>estimate</b> 52:19
<b>enables</b> 56:23	102:1 106:19	83:3 93:1 137:4	<b>estimated</b> 146:3
<b>enactment</b> 126:7	163:10,14,15	<b>essential</b> 137:8,23	<b>estimation</b> 145:16
127:12,15,16	<b>enters</b> 158:1	<b>essentially</b> 16:11	<b>estoppel</b> 101:3
<b>encompasses</b>	<b>entire</b> 26:19	51:9 99:1 135:8	<b>et</b> 12:3 66:6 72:17
86:23	106:20	<b>establish</b> 103:18	95:17
<b>encourage</b> 79:8	<b>entirely</b> 76:25	<b>established</b> 21:7	<b>ethan</b> 7:7
<b>encouraged</b> 77:20	110:12	24:2 35:15 50:7	<b>evaluate</b> 146:2
<b>energy</b> 55:4 64:14	<b>entities</b> 14:6,21	50:16 97:5	<b>evaluated</b> 105:6
65:6 68:23 115:10	25:19 27:15 40:25	<b>establishes</b> 39:10	146:1
128:16 150:19	41:13 55:22 60:11	<b>establishing</b>	<b>evaluating</b> 89:2
	60:22 61:11 71:3	151:10	90:11 107:1

<b>evan</b> 7:4,5	<b>exceptions</b> 104:19 149:4,9 150:14	<b>expense</b> 42:11 43:9,14 62:18,20 89:5,9	66:18,20 68:1 90:23 91:8 92:11 93:7 100:13
<b>event</b> 34:12 52:4 58:18 124:25 161:8	<b>exchange</b> 136:23 137:25	<b>expenses</b> 31:10,16 41:25 42:1,2,7,7,9 42:15 44:8,8	<b>extensively</b> 73:13 110:8 111:3 129:15
<b>everybody</b> 14:7 14:20 15:8 16:4 164:11,14 166:2	<b>exclude</b> 147:2	<b>expensive</b> 45:16	<b>extent</b> 40:14 42:13,24 50:20 51:13 56:7 89:20
<b>everyone's</b> 14:3	<b>excluded</b> 36:21 56:1 96:22 131:6 154:14,21 155:1,3	<b>experience</b> 89:15 89:16 91:25	91:1 107:20 110:25 134:11 147:17
<b>evidence</b> 27:1 30:14 47:9,14,20 50:10 55:25 68:9 70:7 82:14 145:6 145:22,22 156:9 156:16	<b>excludes</b> 131:7	<b>experienced</b> 83:14 138:15	<b>extinguished</b> 135:22
<b>evidenced</b> 37:13	<b>excluding</b> 38:16	<b>experiment</b>	<b>extra</b> 78:8
<b>evidentiary</b> 153:5	<b>exclusion</b> 36:21	126:19	<b>extraordinarily</b> 17:20 22:3
<b>evolved</b> 149:9	<b>exclusively</b>	<b>expert</b> 38:21 67:3 97:7,8 146:6,10 146:11	<b>extremely</b> 37:12 81:12 92:2 105:22 138:15 152:21
<b>exactly</b> 91:16 156:12 162:13	101:13	<b>expiration</b> 157:21 158:6	<b>f</b>
<b>examination</b> 15:9 67:3 93:16	<b>excuse</b> 32:4 61:23	<b>expire</b> 157:15 163:7	<b>f</b> 1:21 10:7 88:17 119:2 167:1
<b>examine</b> 82:6	<b>exempt</b> 148:24	<b>expires</b> 162:2 163:8	<b>f.2d</b> 43:10 59:12 64:20,21 92:20 112:9 113:20
<b>examiner</b> 82:16 82:18	<b>exercise</b> 47:13 68:1 92:11 112:10 114:7 128:22 133:15 148:22 149:16	<b>explains</b> 24:7	116:22 122:11,20 123:5 124:6 131:20 150:4,7
<b>examiner's</b> 93:15	<b>exercised</b> 120:6 135:17	<b>explicit</b> 126:25 153:8	<b>f.3d</b> 39:16,23 45:19 49:3 55:4,9 55:10 59:8 64:14 64:19 69:10 89:22 92:22 109:25
<b>example</b> 17:22,23 34:19 35:25 54:25 63:23 67:17 68:9 68:23 73:10 86:20 90:17 92:14,19 93:15 115:7 118:21 131:19 133:18,20 134:8 135:3,3 139:21 154:22	<b>exercising</b> 122:23	<b>expresses</b> 126:21	110:1,14 111:4,15 111:25 113:18 115:6 116:14 117:2 118:5
<b>exceed</b> 143:16	<b>exhausted</b> 157:10	<b>expressing</b> 17:3	120:10 121:25 122:2,7,9,12,13
<b>exceeded</b> 126:4	<b>exhibit</b> 14:17	<b>expressly</b> 34:20 128:12 131:8 164:17	122:14,19 123:1,2 123:25 124:2,13 124:14 125:17,18
<b>excepted</b> 70:8 150:1	<b>exhibits</b> 24:11	<b>extant</b> 29:5	
<b>exception</b> 34:2,4 70:6 147:9 148:21 149:7,22,23 150:15	<b>exide</b> 131:23,24 136:10 150:23	<b>extend</b> 110:4 135:3 157:17 161:2	
	<b>exist</b> 39:14 56:24 113:2,17 133:5	<b>extended</b> 127:4	
	<b>existing</b> 130:6	<b>extending</b> 158:5	
	<b>exists</b> 146:6	<b>extends</b> 160:8,8	
	<b>exit</b> 87:21	<b>extension</b> 157:13 158:13 159:5,25 160:1	
	<b>expansive</b> 64:23	<b>extensive</b> 19:8 26:1 27:16 30:3 35:24 48:10 66:14	
	<b>expect</b> 79:18 163:14		
	<b>expected</b> 105:18 105:21		
	<b>expedited</b> 164:2,5		
	<b>expedition</b> 91:14		
	<b>expeditious</b> 65:17		

128:6 129:9,14,22 130:2,21,22 132:21 133:1 135:15 136:12 138:3 150:19 <b>f.3rd</b> 140:6 <b>f.supp.3d</b> 149:7 <b>face</b> 153:9 <b>faced</b> 104:16 161:24 <b>facilitate</b> 124:19 <b>facilitated</b> 83:13 124:23 <b>facilitating</b> 80:6 <b>facing</b> 162:2 <b>fact</b> 12:12 21:6 28:15 33:2 38:12 39:4 46:2 47:23 48:24 50:18 54:13 54:22 57:15 59:5 59:23,23 66:9,23 67:24 73:25 77:12 80:1 84:20 86:2 91:6 96:16 101:17 102:18 109:6 118:15,20 119:3 120:4 126:8 129:12 130:11 131:2,11,16 139:6 140:9 142:25 143:1 146:11 148:23 149:20 150:20 151:7 <b>factor</b> 88:7 89:25 91:24 94:8 95:12 98:12 99:19 132:20 135:1 147:3 <b>factors</b> 68:3 72:23 89:2 90:1,10 93:17 95:9 99:21 107:7 136:3 138:4 138:9 139:17	<b>facts</b> 46:5 105:3 112:20 135:12 142:10 157:2 <b>factual</b> 18:25 24:3 117:12 131:19 133:19 137:20 <b>fails</b> 32:13 <b>failure</b> 55:1 66:13 146:5 <b>faintest</b> 32:17 <b>fair</b> 19:5 22:18 52:24 55:3 56:25 57:12 66:24 67:10 75:22 79:16 82:7 83:19 88:21 101:23 113:25 136:21 139:22 140:9 147:15 160:5 <b>fairly</b> 63:16 104:19 106:25 119:21 125:1 <b>fairness</b> 65:19 75:16 136:14 140:20 <b>faith</b> 31:8 50:9,20 50:22 55:18,23,23 56:3 63:11,15,18 63:22 64:3,6,11 65:22,25 66:24 73:22 77:19 79:21 79:25 <b>fall</b> 87:11,13 <b>fallback</b> 66:14 <b>familiar</b> 164:15 <b>families</b> 73:12 <b>family</b> 23:12 71:10 95:14 96:3 96:4,16 100:14,15 100:16 101:7 103:24 152:12 153:4,7 154:8 156:2,4	<b>fansteel</b> 140:4 <b>far</b> 12:17 29:14 38:5,15 50:7 60:13 78:15,22 87:3 88:14 91:13 92:16 93:5 101:9 105:23 106:8 119:10,24 142:9 148:3 150:16,17 152:15 159:13 <b>farash</b> 72:12 <b>farrell</b> 5:22 <b>favor</b> 28:7,19,20 50:21 75:14 90:1 <b>favorable</b> 62:1 <b>favored</b> 88:4 <b>fda</b> 78:9 80:15 <b>fda's</b> 104:2 <b>fear</b> 35:21 <b>feasibility</b> 32:18 33:1 34:12 49:18 <b>feasible</b> 136:20 <b>feature</b> 79:9 152:10 <b>features</b> 54:18 <b>federal</b> 39:15 48:23 78:6 80:14 86:22,24 101:25 102:3,25 109:7 134:8 149:13 152:19 <b>fee</b> 41:15 44:23,25 46:12,23 47:3,8 47:14,17 74:11,15 <b>feed</b> 88:6 <b>feel</b> 24:19 <b>fees</b> 18:13 31:10 31:10 41:10 42:21 43:4,13,15,16 44:7,16,19 45:8 45:13,23,25 46:8 46:10 47:21 95:16	95:17 <b>feinberg</b> 43:17 46:25 47:16 60:4 73:7,10 84:7 <b>feinberg's</b> 47:4 <b>feld</b> 123:25 <b>fell</b> 86:4 <b>femino</b> 5:23 <b>ferry</b> 88:17,24 89:1 <b>fiber</b> 122:1,2 135:15 <b>fide</b> 35:21 <b>fides</b> 106:8 <b>fiduciaries</b> 15:18 17:19 18:11 <b>fiduciary</b> 15:10 92:15 100:12 102:15 105:3 142:19 <b>fifth</b> 3:20 123:20 123:24 124:2 125:10 <b>fights</b> 91:8 <b>figure</b> 29:15 <b>file</b> 24:23 162:19 163:12,25 165:8 <b>filed</b> 13:19 14:17 14:25 17:3 18:8 19:17,17 23:2 27:19,20 31:3 37:5 38:1,15,17 48:12,18 49:6 51:6,8 63:5 100:22 110:7 146:22,25 <b>filings</b> 47:21 <b>final</b> 14:17 15:1 16:15 19:11 91:15 119:17 121:12
--	--	---	---

[final - full]

Page 23

161:4 162:17	64:17 71:8 76:4	<b>forbid</b> 163:3	113:16 139:21
<b>finality</b> 34:9	81:18,19 85:22	<b>forbidden</b> 31:8	141:11 148:9
<b>finalize</b> 13:10	91:9 94:9,13,13	63:16	154:12 156:18
<b>finally</b> 16:6 18:19	99:18 109:1	<b>forced</b> 96:19	<b>foundation</b> 122:8
32:16 69:7 107:12	116:18 123:4,8	153:17	122:8 140:6
127:9	154:16 157:11	<b>forces</b> 97:3	<b>foundry</b> 140:4
<b>finance</b> 110:1	158:20,24 159:15	<b>forego</b> 99:14	<b>founds</b> 45:14
<b>financial</b> 32:21	165:11,12	<b>foregoing</b> 56:4	<b>four</b> 16:16 71:7
76:24 136:18,19	<b>firstenergy</b> 133:8	79:4 121:16 167:3	93:19 100:16
149:12,14	<b>fishing</b> 91:13	<b>foregone</b> 49:24	153:4
<b>financially</b> 103:9	<b>fit</b> 143:15	82:3	<b>fourth</b> 136:24
<b>find</b> 32:25 45:25	<b>fitch</b> 48:6	<b>foreign</b> 51:14	<b>framework</b> 88:25
56:2 64:10 66:23	<b>fitzsimmons</b> 5:25	87:21 97:5 107:18	<b>frank</b> 71:8
69:17 115:12	<b>five</b> 102:2 115:4	<b>foreshadowed</b>	<b>franklin</b> 8:23
119:11 165:20	129:8 150:13	158:3	<b>frankly</b> 14:19
<b>finding</b> 38:5 39:7	<b>fix</b> 74:23	<b>forget</b> 153:20	15:14,16,20 16:24
39:25 46:9,17	<b>fixed</b> 38:21	<b>forgetting</b> 153:21	17:21 29:20 62:22
136:4 137:23	<b>fixing</b> 53:4	<b>forgive</b> 153:20	72:3 80:22 96:20
147:19	<b>flat</b> 93:6	<b>form</b> 14:16 24:22	105:19 153:14
<b>findings</b> 12:12,15	<b>flexibility</b> 50:24	38:8 71:9,16	<b>fraudulent</b> 97:12
12:17 24:7 35:12	<b>flexible</b> 26:24	72:12 76:8 107:3	97:15 98:2 100:10
35:16,24 36:4,12	80:22	108:12 117:18	100:19 101:10
37:10,16 38:1	<b>florida</b> 65:21	<b>formal</b> 163:25	102:22 103:15
40:6 136:8,15	<b>flow</b> 130:19	<b>formally</b> 41:15	108:5 142:2 143:2
137:20	<b>focus</b> 22:17 59:10	158:13	143:3 154:22
<b>fine</b> 17:4 164:10	76:22 77:1 85:22	<b>formed</b> 82:21	<b>frazier</b> 6:1
<b>finegan</b> 25:8	94:12,13 105:15	<b>former</b> 84:7	<b>frederick</b> 9:24
48:10 118:18	106:21 149:9,15	120:23 135:7	<b>free</b> 107:3 137:9
119:4	<b>focused</b> 64:25	<b>formerly</b> 106:10	<b>frequently</b> 140:15
<b>finegan's</b> 25:21,22	77:8 83:13 108:5	<b>forms</b> 33:14 38:11	<b>fresh</b> 65:16
26:7 118:11	<b>focusing</b> 23:21	<b>formula</b> 67:11	<b>friday</b> 13:7 18:23
<b>finova</b> 118:24	53:22 64:17 85:23	<b>forth</b> 25:8 33:2	20:4 157:16 158:3
119:1	<b>folks</b> 162:19	38:19 39:14 41:14	158:10 160:22
<b>finzi</b> 5:24	<b>followed</b> 32:20	44:19,21 47:3	<b>friedman</b> 6:2
<b>fire</b> 92:19	64:16,23	73:21 78:11 79:5	<b>front</b> 28:3
<b>firmly</b> 126:16	<b>following</b> 80:11	85:7 110:6 141:14	<b>fruit</b> 137:24
133:25	89:2 90:12 101:6	<b>forward</b> 14:19	<b>frustrating</b>
<b>firms</b> 165:20	103:3 123:7	20:17 127:16	104:18,20,23
<b>first</b> 21:14 22:6	134:23 154:25	<b>fostered</b> 118:14	<b>fulfilling</b> 15:10
29:9 33:7,13 35:5	157:12	<b>fought</b> 74:18	<b>full</b> 24:11,11
42:21 51:6,21	<b>fondness</b> 101:4	84:14	37:15 88:6 95:5
52:15 55:20 57:8	<b>foodtown</b> 92:22	<b>found</b> 15:9 16:17	126:17 135:25
57:21 61:4 63:10		55:12 69:18 78:10	137:18 139:24

140:1,3,17,18,18 142:14 <b>fully</b> 14:16 25:2 51:14 94:5,6 161:19 <b>fund</b> 35:15 41:20 49:23 70:3,3,5,9 70:12 73:12 92:22 123:5 124:16 135:22 150:4 <b>fundamental</b> 48:11 65:19 <b>fundamentally</b> 120:3 123:9 147:12 <b>funding</b> 50:14 <b>funds</b> 41:19 63:8 67:19 79:10 116:22 <b>further</b> 16:9,13 18:9,10,10 19:9 19:22 25:6 32:20 34:7,14 52:21 75:5 83:16 95:20 113:4 114:11 123:19 124:3,15 134:22 136:3,6 142:12 151:20 153:2 157:5 <b>furtherance</b> 39:12 135:19 <b>future</b> 16:22 17:9 78:10 89:4 93:9 152:6 <b>fx</b> 7:9	<b>galle</b> 6:3 <b>gange</b> 6:4 <b>gap</b> 157:24 161:25 <b>garrity</b> 65:13 <b>garvin</b> 63:24 <b>gary</b> 4:25 6:12 44:14 74:17 <b>gas</b> 44:1 <b>gautam</b> 78:15 <b>gayle</b> 78:17 <b>geldreich</b> 6:5 <b>gen</b> 130:1 <b>genco</b> 65:4 <b>general</b> 15:7 36:19 51:20 58:24 59:3 63:17 64:2 66:21 102:9 104:4 149:6 150:17 <b>generalized</b> 92:17 <b>generally</b> 22:20 44:20 53:14 54:24 64:16 71:21 89:21 94:20 105:8 126:22 140:9,17 146:2 149:1 <b>geoffrey</b> 6:10 <b>gerard</b> 5:5 <b>getting</b> 14:15 17:24 107:5,6 <b>gibson</b> 6:6 <b>giddens</b> 6:7 <b>gilbert</b> 6:8 <b>gill</b> 6:5 <b>gist</b> 51:19 <b>give</b> 12:4 17:22 21:18 71:10 160:13 <b>given</b> 22:3 25:1 26:16 28:22 34:4 39:1 40:7 45:6 47:8 53:2,6 55:24 57:25 66:1 68:12 70:20 78:21 79:23	93:23,23 94:24 98:5,6 99:10 106:2,5,6 107:7 108:19 109:8 119:6 138:11 146:6 147:8 149:16 150:25 153:9,20 155:9 158:9 159:19 163:2 <b>gives</b> 21:8 <b>giving</b> 24:13 65:15 128:19 <b>gleit</b> 3:16 18:21 19:20,25 20:1,3 20:23 <b>global</b> 39:15 90:18 123:22 <b>gm</b> 118:4 <b>go</b> 14:19 24:19 47:20 60:13 61:13 71:6 75:4 80:15 86:18 88:12 94:20 98:1 108:16 115:11 125:11 129:25 148:2 154:23 155:10 156:20 158:7,20 158:24 163:16 <b>goal</b> 83:13,14 <b>goals</b> 66:7 <b>god</b> 163:3 <b>goes</b> 16:6 19:19 57:25 69:1,11 72:15 112:7 117:7 <b>going</b> 13:9 15:21 20:6,16,17,17 37:10 38:4 49:21 65:14 69:24 70:5 70:13 94:23 108:22 160:21 <b>gold</b> 3:23 125:7 158:17,18,18,23	159:10,11 164:13 <b>golden</b> 103:1 <b>goldstein</b> 6:9 <b>good</b> 12:2 18:19 19:25 20:2,3 31:8 50:9,20,22 55:18 55:23,23 56:2 63:11,15,17,21 64:3,6,11 65:22 65:25 66:24 73:22 77:18 79:21,25 80:7 116:13 137:25 165:17 <b>goodman</b> 6:10 <b>gostin</b> 6:11 <b>gotten</b> 26:17 134:19 <b>otto</b> 6:12 44:14 74:17 <b>govern</b> 50:25 <b>governance</b> 76:20 78:12 80:5 87:4 100:21 <b>governed</b> 97:22 <b>government</b> 78:5 78:7 86:22,24 101:25 103:1 149:16 152:19 <b>governmental</b> 14:6,21 41:12 55:21 78:19 83:1 83:12 86:8 91:5 93:3,25 148:19 149:17,21 <b>governments</b> 22:5 23:5,5 78:6 84:22 <b>governors</b> 149:13 <b>governs</b> 33:23 <b>gowrisankaran</b> 78:15 <b>gowrisankaran's</b> 78:23
<b>g</b>			
<b>g</b> 5:10,14 12:1 29:15 39:20 60:16 125:24 126:6,8 132:6 139:1 <b>gabe</b> 5:2 <b>galan</b> 78:17	<b>given</b> 22:3 25:1 26:16 28:22 34:4 39:1 40:7 45:6 47:8 53:2,6 55:24 57:25 66:1 68:12 70:20 78:21 79:23	21:18 71:10 160:13 <b>going</b> 13:9 15:21 20:6,16,17,17 37:10 38:4 49:21 65:14 69:24 70:5 70:13 94:23 108:22 160:21 <b>gold</b> 3:23 125:7 158:17,18,18,23	14:6,21 41:12 55:21 78:19 83:1 83:12 86:8 91:5 93:3,25 148:19 149:17,21 <b>governments</b> 22:5 23:5,5 78:6 84:22 <b>governors</b> 149:13 <b>governs</b> 33:23 <b>gowrisankaran</b> 78:15 <b>gowrisankaran's</b> 78:23

<b>grace</b> 39:22 55:10 59:8 68:18 69:1,7 69:17 133:1	<b>guide</b> 152:23 <b>guided</b> 133:22 <b>gupta</b> 78:15	<b>healthy</b> 103:9 <b>hear</b> 12:22,24 158:21	106:23 139:14 <b>highest</b> 106:15 <b>highlighted</b> 67:1,2 67:2
<b>graham</b> 72:10	<b>h</b>	<b>heard</b> 16:2 19:8 20:3 81:21 100:16 103:19 155:24 163:20	<b>highlights</b> 139:16 <b>highly</b> 22:1 37:13 43:15 80:1
<b>grammar</b> 144:11	<b>h</b> 5:20 11:9 126:5 126:10 127:4	<b>hearing</b> 2:1,5,10 2:13 12:4 21:15 27:24 36:17 37:22 39:7 42:6 70:11 72:20 117:23 119:11 145:7 153:5 155:7 159:16 164:2,5,17 164:18,22 165:12	<b>hinge</b> 87:6 <b>hinges</b> 36:23 137:9
<b>grant</b> 16:22 48:18 70:14 109:21 123:10 125:14 128:7 136:13	<b>haberkorn</b> 6:18 <b>half</b> 105:19 155:16,22	<b>hearings</b> 13:6 164:22	<b>hirshman</b> 6:21 <b>history</b> 68:19 106:16 126:9 145:20 147:9 150:9 165:5
<b>granted</b> 70:14	<b>hand</b> 26:22 28:6 37:1 60:10 64:22 86:7 96:2 100:5 135:5 139:25 149:11	<b>heather</b> 6:1 <b>heavily</b> 90:1 99:11 <b>heavy</b> 78:18 <b>heflin</b> 127:9 <b>heflin's</b> 127:6	<b>hits</b> 26:7 <b>hoc</b> 4:9 14:13 15:6 46:18 82:22
<b>gravamen</b> 148:3	<b>handle</b> 157:4 <b>handling</b> 40:16	<b>heitzenrater</b> 6:19 <b>held</b> 21:25 78:9 96:9,16 103:20 106:10,11 122:15 124:8 140:1 143:6	<b>hold</b> 36:25 122:15 122:15 129:3
<b>gray</b> 121:25	<b>hanover</b> 118:2 <b>happen</b> 38:4 87:10 160:21	<b>help</b> 85:3 127:3 <b>helpful</b> 113:7 <b>heritage</b> 122:8 140:6	<b>holder</b> 31:24 32:4 61:25 144:4,8
<b>grayson</b> 148:6	<b>happened</b> 18:7 91:16	<b>herring</b> 6:20 <b>hesitation</b> 155:21 <b>hide</b> 107:18 <b>higgins</b> 4:6 163:19 163:20,23 165:22 165:24 166:7	<b>holders</b> 13:23,23 33:6 74:7 117:9 117:12 118:12
<b>greater</b> 23:13 88:8,12	<b>happy</b> 12:21 160:24	<b>high</b> 26:18 141:16 <b>highbourne</b> 122:8 <b>higher</b> 29:16 47:24 104:10,12 105:19,22 106:7	<b>holding</b> 30:15 43:25 65:11 122:21 144:19
<b>greatly</b> 144:18	<b>hard</b> 74:18 77:25	<b>home</b> 58:13 <b>hon</b> 1:22	<b>holdings</b> 116:25 120:10,11,14,15 120:20 122:6 131:23,24 150:23
<b>green</b> 6:13,14	<b>harder</b> 152:9 <b>hardwood</b> 124:6	<b>honor</b> 12:23 13:1 14:2,25 16:6,16 18:19 19:4,15,21 19:25 20:3,19 21:1,10 155:14,20 155:23 156:1,12	
<b>greenspan</b> 6:15 74:16,21	<b>hardwoods</b> 124:17		
<b>gregory</b> 7:6	<b>harm</b> 26:2 68:6 84:24 131:2		
<b>grim</b> 6:16	<b>harmed</b> 26:6		
<b>ground</b> 67:24	<b>harmful</b> 22:3,15		
<b>grounded</b> 37:3	<b>harms</b> 22:16,16 103:25 130:19		
<b>grounds</b> 108:6 115:4	<b>hayden</b> 5:6,8 <b>head</b> 111:16		
<b>group</b> 4:9 35:10 41:13 53:17 59:19 76:4 83:21 88:23 91:5 106:15 118:23 131:20	<b>heads</b> 94:2 <b>health</b> 21:23 23:8 75:18 102:1		
<b>groups</b> 26:12 41:8 82:25 96:4	<b>healthcare</b> 102:3		
<b>guarantee</b> 133:18			
<b>guaranty</b> 35:7			
<b>guard</b> 6:17 45:2 45:23 65:20 67:1			
<b>guard's</b> 67:12			
<b>guess</b> 13:21 17:4 158:7			
<b>guest</b> 70:16			
<b>guidance</b> 19:22 80:14 132:6 134:23			

156:23 157:1,8 158:18,21 159:1,8 159:10 160:20 161:5,6 163:4,18 163:19,21,23,24 164:4,7,11,21 165:24 166:2,7 <b>honor's</b> 19:19 <b>hope</b> 13:8 19:13 72:10 157:10 166:3 <b>hopefully</b> 13:4,24 14:20 155:19 <b>hoping</b> 19:2 <b>horewitz</b> 38:20 <b>hornbook</b> 150:1 <b>hospital</b> 29:3 118:21 <b>hospitals</b> 22:6 41:23 72:16 73:16 77:4 <b>hour</b> 84:6 155:16 164:16 <b>hourly</b> 46:15 <b>hours</b> 155:9,22 166:4 <b>housekeeping</b> 155:17 157:4 <b>howard</b> 10:13 114:25 <b>hudson</b> 6:22 <b>huebner</b> 3:8 12:23 13:1,2 155:14 156:12,23 157:1 164:11 165:25 <b>huge</b> 14:14 70:17 115:24 <b>hugh</b> 8:6 <b>human</b> 72:20 75:18 102:1 <b>hundred</b> 30:4 155:8	<b>hurley</b> 6:23,24 <b>hyde</b> 2:25 167:3,8 <b>hyder</b> 6:25 <b>hypothetical</b> 145:17 <b>i</b> <b>i.e.</b> 27:20 31:2 33:24 34:18 36:11 36:20 40:24 48:13 52:21 81:8 82:5 85:20 94:9,13 96:8 103:21 109:2 130:5 136:21 145:15 154:21 <b>identified</b> 92:7 <b>identity</b> 133:3,10 137:2 <b>ignition</b> 149:6 <b>ignorance</b> 71:18 <b>ignored</b> 110:12,13 <b>ii</b> 112:15 116:25 120:10,14,15 122:6 123:4 <b>iii</b> 48:14 49:1 111:7,25 112:13 112:21 114:25 121:17 129:21 <b>iii's</b> 112:18 <b>illinois</b> 69:16 <b>illustrate</b> 84:19 <b>imagine</b> 78:1 162:25 <b>imes</b> 7:1 <b>imitate</b> 78:4 <b>immune</b> 150:15 <b>immunity</b> 71:10 71:19,19,20,21 <b>impact</b> 70:17,20 113:23 135:23 <b>impair</b> 113:24 <b>impaired</b> 28:4,7 31:23	<b>impairing</b> 35:20 <b>impediment</b> 127:21,21 <b>implementation</b> 38:14 147:13 <b>implemented</b> 24:6 25:22 102:7 <b>implications</b> 153:23 <b>impliedly</b> 131:8 <b>importance</b> 24:16 <b>important</b> 12:7 14:18 15:13 25:3 28:2 34:8 71:23 81:12 99:21 152:11,11,14,21 <b>importantly</b> 58:12,14,22 82:17 86:23 126:5 145:4 <b>impose</b> 35:2 106:4 106:7 109:4 112:24 113:7 115:19 129:17 133:15 151:16 <b>imposed</b> 78:5,5 111:25 124:10 135:13 150:21 160:25 <b>imposing</b> 124:18 134:12 140:16 <b>impossible</b> 38:11 38:12 153:22 <b>impression</b> 111:8 <b>improper</b> 24:22 44:9 45:23 47:22 50:20 63:22 72:13 102:12,13,16 122:22 <b>improperly</b> 29:9 50:10 56:1 135:2 151:14 <b>impropriety</b> 60:18	<b>improve</b> 18:9 <b>improved</b> 22:23 39:16 119:6,24 <b>impute</b> 103:14 <b>inapplicable</b> 54:1 <b>inartfully</b> 24:20 <b>incapable</b> 145:16 <b>incarcerated</b> 48:8 <b>incident</b> 31:17 <b>include</b> 23:10 62:17 65:14 73:20 79:13 86:6,10 129:1 131:7 136:16 142:18 149:19 <b>included</b> 108:1 118:14 131:4 142:16 <b>includes</b> 14:14,15 15:6 21:4 94:9 109:14 152:3,5 <b>including</b> 12:12 13:6 14:5 21:21 22:14 26:5,23 30:19 42:8,25 43:4 47:6 50:17 51:16 54:25 55:11 58:25 59:25 66:15 72:19,24 78:14,25 80:14,17 86:24 87:16 89:9,11 92:11 93:11,15,18 94:21 96:18 97:14 98:20 99:2 101:15 106:24 107:18 108:20 109:7 110:6,17 111:2 114:12 117:17 122:4 123:17 125:16 126:2 134:6 135:18 136:24 138:20,24 140:14 146:13,16
---	--	---	---

[including - interest]

Page 27

150:2 151:1 152:17,18 153:21 154:7 156:3 164:22 <b>inconclusive</b> 147:22 <b>inconsistent</b> 125:23 129:2,6 <b>inconvenience</b> 89:9 <b>incorporated</b> 16:7 28:9 53:20 <b>incorporates</b> 31:3 <b>incorrect</b> 80:12 93:4 117:21 <b>incredible</b> 78:20 84:24 91:1 <b>incredibly</b> 73:10 83:14 104:18,20 104:23 152:25 <b>incurred</b> 42:16 <b>indelicate</b> 7:2 <b>indemnification</b> 110:5 114:13 <b>indemnity</b> 111:5 135:24 137:3,10 <b>independence</b> 15:11 <b>independent</b> 83:13 88:16,20 91:2,3 92:2 111:21 112:9 131:1,18,18 132:2 132:23 134:14 147:17 154:1 <b>indian</b> 22:6 <b>indicate</b> 18:12 158:16 <b>indicated</b> 40:9 103:9 <b>indication</b> 57:4,7 <b>indirect</b> 137:10	<b>indirectly</b> 135:23 <b>indiscernible</b> 20:22 151:21 <b>individual</b> 22:18 32:24 38:17 48:6 48:17 49:6,13,23 50:3,11 61:14 66:21 72:14 73:15 79:2 80:1 86:7 92:18 148:9 <b>individually</b> 18:9 <b>individuals</b> 48:5 92:9 <b>industries</b> 59:12 122:20 126:18 <b>inevitable</b> 143:19 <b>inextricably</b> 56:24 <b>infected</b> 63:22 <b>infer</b> 98:10 <b>inflected</b> 85:3 <b>inflicted</b> 84:24 <b>information</b> 159:3 110:5 114:13 76:17 84:3 88:20 94:5,6 95:8 100:18 107:25 <b>ingersoll</b> 122:14 138:2 <b>inherent</b> 134:5 <b>initiatives</b> 78:18 104:3 <b>injected</b> 111:2 <b>injection</b> 157:18 <b>injunction</b> 14:3 14:12 21:9 57:21 71:2 76:21 77:9 81:16 91:11,15 95:18 108:8 109:17 111:1,10 111:18 120:24 121:4,12 126:13 126:18,24 127:11	127:13,15 132:3 132:18 133:7 134:17 135:10 137:8,16 139:19 148:14 150:10,15 155:18 157:11,15 157:25 158:1,5 159:5,25 160:1,9 161:2,12 <b>injunctions</b> 126:15 134:7,7 150:20 <b>injunctive</b> 150:3 <b>injuries</b> 72:22 <b>injury</b> 26:23,25 29:1 38:9 42:1 50:12,14,21,23 72:14,21 73:4,13 73:17,19,24 74:2 74:4,6,20,22,24 75:2,5,10,14,22 86:8,16 92:17 129:24 <b>input</b> 78:6,18 <b>inquiry</b> 45:15 64:2 81:19 112:2 112:19 <b>inserted</b> 20:9 <b>insiders</b> 89:19 136:7 <b>insinuation</b> 47:21 <b>insinuations</b> 47:19 <b>insisting</b> 141:5 <b>insolvencies</b> 33:14 34:3 <b>insolvent</b> 22:13 73:2 103:14 <b>inspector</b> 104:4 <b>instance</b> 91:20 132:12 133:20 150:20	<b>instances</b> 23:11 46:7 113:16 148:18 <b>instantly</b> 17:5 <b>institutional</b> 77:4 <b>instructive</b> 99:6 <b>insufficient</b> 22:14 23:14 48:8 <b>insurance</b> 20:17 21:9 33:4 35:7,7,9 35:10,14,14,21,25 36:1,1,5,5,11,14 36:15,16,21,24,25 36:25 37:2,3,6,18 39:13,13 40:2,3,3 40:10,17 92:20 114:5,12 121:24 132:8 <b>insured</b> 35:19,19 36:9 38:6 <b>insurer</b> 35:9 38:12 111:17 <b>insurers</b> 35:6,8,22 35:23 36:8 37:1,8 37:9,12,24 38:2 39:4 40:8,14,16 111:19 <b>integral</b> 36:4 <b>integrity</b> 102:2 <b>intended</b> 126:13 156:1 <b>intends</b> 163:25 <b>intensity</b> 68:6,7 <b>intent</b> 16:23 <b>intention</b> 117:14 158:10 <b>intentional</b> 103:15 <b>interest</b> 31:25 32:2 47:6 54:3 56:18 61:25 62:1 63:23 76:18 77:19 78:4 96:21 133:3
--	--	--	---

## [interest - jurisdiction]

Page 28

133:10 143:23 <b>interested</b> 89:13 93:20 117:25 <b>interests</b> 31:22,24 32:13 54:4,17 75:9,12 88:22 89:11 93:18 96:25 137:2 <b>interim</b> 13:25 <b>international</b> 123:2 <b>internet</b> 26:8 <b>interpretation</b> 27:9 63:19 64:2 144:17 145:5 <b>interpreted</b> 68:21 114:23 124:25 <b>interpreting</b> 24:4 130:4 <b>interrelated</b> 86:3 138:20 <b>interrupt</b> 162:21 <b>intervention</b> 115:1 <b>intricate</b> 104:14 104:25 <b>intricately</b> 99:11 <b>invaded</b> 96:17 <b>investigated</b> 92:12 <b>investment</b> 97:17 130:20 <b>investments</b> 63:24 130:1 <b>investor</b> 97:17 <b>invited</b> 54:24 <b>involve</b> 15:16 131:18 142:19 <b>involved</b> 41:23 54:16 90:16 109:17 127:1 <b>involvement</b> 14:21 100:8	<b>involves</b> 90:14 108:17 <b>involving</b> 22:25 24:10 106:17 <b>iowa</b> 140:5 <b>iridium</b> 89:21 90:12 98:12 <b>irrelevant</b> 123:12 <b>irresponsible</b> 72:3 80:24 <b>isley</b> 6:11 <b>issacharoff</b> 7:3 <b>issuance</b> 121:22 127:22 <b>issue</b> 17:9 19:3,21 20:20 28:3 35:2 36:16 37:24 46:10 49:5,10,16,16,16 53:7,7 60:6,7 76:14 90:4 94:8 96:14 97:11 98:11 99:24 102:18 104:15 107:23,24 110:9 117:22 119:17,21 121:22 126:14,23 127:24 135:11 147:2 159:8 161:6 <b>issued</b> 127:14 <b>issues</b> 21:3 23:23 24:8 36:20 40:17 85:4 89:3 94:21 98:5 105:10,11,12 108:11 121:17 138:11 142:23 147:6 <b>issuing</b> 31:14 <b>item</b> 14:2 <b>items</b> 18:18 <b>it's</b> 85:7 <b>iv</b> 111:14 113:4 <b>i'll</b> 85:7	<b>i'm</b> 81:19 84:17 <b>i've</b> 77:16 79:23 81:1 83:15 86:9 86:15 <b>j</b> <b>j</b> 3:23 6:23 7:19 8:15 9:13 10:2,18 10:22,24 134:8 <b>james</b> 6:14 8:4,23 9:20 11:8 <b>january</b> 145:25 <b>jared</b> 6:13 <b>jason</b> 9:16 <b>jay</b> 4:20 <b>jayne</b> 44:15 73:23 <b>jeanne</b> 25:8 <b>jeffrey</b> 3:16 7:20 9:13 19:25 <b>jenna</b> 6:22 <b>jennifer</b> 8:24 101:19 <b>jeopardize</b> 154:9 <b>jeopardized</b> 66:8 <b>jeremey</b> 9:19 <b>jeremy</b> 7:13 <b>jerome</b> 10:16 <b>jersey</b> 49:11 51:2 97:6,8,22,23 98:3 98:4,4 155:25 156:5,14,15 <b>jesse</b> 30:20 <b>jessica</b> 38:20 <b>job</b> 73:11 <b>john</b> 5:17,18 6:17 7:22,23 30:20 65:20 92:6 <b>johns</b> 49:3 64:19 111:4 112:8 126:16 <b>joined</b> 35:8 36:16 <b>joint</b> 2:5 12:8,10 21:19	<b>jon</b> 30:20 <b>jonathan</b> 8:11 11:1 <b>jones</b> 7:4,5 <b>jordan</b> 9:14 11:3 <b>joseph</b> 5:14 7:6 9:10,21 10:10,21 <b>journal</b> 45:16 <b>joyce</b> 10:25 <b>jp</b> 40:10 <b>jr</b> 6:14 11:10 <b>judge</b> 1:23 12:2 65:13 83:25 84:1 84:6,7 91:10 105:21 106:4 115:23 120:23 127:3 135:7 <b>judgment</b> 88:20 89:10 94:12,14 95:8 96:17 98:1 104:7 <b>judgments</b> 97:9,9 <b>judicata</b> 101:3 <b>judicial</b> 54:22 102:6 110:18 134:9 148:17 149:24 <b>july</b> 102:4,4 131:25 150:24 <b>jumped</b> 17:4 <b>juncture</b> 18:4 <b>june</b> 145:25 <b>jurisdiction</b> 96:11 96:13 109:3,4,8 109:11,20 110:3,9 110:16,16,19 111:1,9,20,25 112:5,11,15 113:2 113:9,16 114:7,18 115:8,14 116:8,10 119:18 121:8,11 122:23 129:17 133:25
---	--	--	---

<b>jurisdictional</b>	<b>kelly</b> 7:9 <b>kennedy</b> 7:10 <b>kenneth</b> 5:20 <b>kentucky</b> 67:18 67:24 <b>jurisdictions</b>	<b>l.p.</b> 1:7 2:6 <b>lab</b> 116:25 120:10 120:11,14,15 122:6 <b>labels</b> 104:2 <b>lack</b> 26:16 39:2 48:14 55:25 <b>lacking</b> 78:10 <b>lacks</b> 48:15 109:3 <b>laid</b> 43:19 88:25 90:11 92:4 105:24 106:25 114:24 118:18 136:10 <b>lambert</b> 53:17 59:19 88:22 131:20 <b>language</b> 16:19,24 17:2,5,12 18:22 19:1 20:6,9,22 118:19 125:13 155:4 <b>lansing</b> 123:3 <b>lapidem</b> 116:24 120:18 125:20 <b>large</b> 22:13 26:4 28:22,24 49:21 61:21 66:4,22 67:19 88:6 96:3 101:15 107:24 141:24 147:16 <b>largely</b> 65:1 81:10 83:16 95:17 98:19 110:12 147:5,19 156:7 <b>larger</b> 67:7,20,21 <b>largest</b> 22:25 139:8 <b>larson</b> 118:25 119:1 <b>lastly</b> 15:7 20:15 <b>late</b> 26:24 159:17 <b>laura</b> 5:23 8:5	<b>lauren</b> 11:12,14 <b>law</b> 12:13 18:2 23:20 27:21 31:8 33:13 34:2,25 35:1 37:4 39:10 43:6 53:21 55:15 59:4 63:16 71:24 78:9 80:14,15 97:1,3,4,6,8,10,12 97:13,20,23 102:3 102:20 104:18,22 117:5 125:5 132:23 133:22 134:9 143:1 148:5 149:17 150:1 159:7 165:20 <b>lawful</b> 76:15,16 <b>lawmaking</b> 134:9 <b>lawrence</b> 7:14 <b>laws</b> 22:19 58:13 114:22 146:20 <b>lawsuit</b> 147:13 <b>lawsuits</b> 152:22 <b>lawyer</b> 27:6 71:15 73:25 115:2 <b>lawyerly</b> 15:15 <b>lawyers</b> 73:19,24 75:5 95:16 <b>lay</b> 79:18,18 94:18 100:1 <b>layers</b> 76:17 <b>laying</b> 74:17 <b>lays</b> 41:18,22 <b>leading</b> 43:8 <b>learn</b> 24:16 108:24 <b>learning</b> 79:7,8 <b>leave</b> 154:16 <b>leaves</b> 21:3 24:5 99:19 107:23 121:10 135:11 <b>led</b> 73:5 82:22,25 91:19 100:21
<b>k</b>			
<b>k</b> 6:20	<b>kamenetzky</b> 155:19	<b>know</b> 13:5 14:20 15:19,21 16:2,13 17:8 18:25 19:2,6 19:11,11 71:23 72:2 74:13 80:11 93:6,7 105:20 115:22 157:2 164:8,24 <b>knowing</b> 84:1 105:23 <b>knowledge</b> 14:3 89:16 106:15 <b>known</b> 26:3,13 118:8 164:14 <b>knows</b> 15:9 161:6 165:18 <b>koelbl</b> 64:20 <b>kotler</b> 7:14 <b>kramer</b> 7:15	<b>knows</b> 15:9 161:6 165:18 <b>koelbl</b> 64:20 <b>kotler</b> 7:14 <b>kramer</b> 7:15
		<b>1</b>	
	<b>l</b> 6:2 10:23 97:17 130:20 <b>l.j.</b> 134:10	<b>larson</b> 118:25 119:1 <b>lastly</b> 15:7 20:15 <b>late</b> 26:24 159:17 <b>laura</b> 5:23 8:5	

[ledanski - loud]

Page 30

<b>ledanski</b> 2:25 167:3,8 <b>lee</b> 165:17 <b>lees</b> 7:16 <b>left</b> 21:4 24:20 37:25 111:8 <b>legal</b> 18:13 31:10 59:10,15 63:10 75:17 77:24 79:19 94:20,21 105:10 110:4 111:21 131:18 132:2,18 132:20 134:14,25 147:13 152:24 153:9 167:20 <b>legality</b> 18:13 <b>legally</b> 72:23 77:9 79:21 132:20 134:25 <b>legier</b> 78:17 <b>legislative</b> 68:19 126:9 150:9 <b>legislatures</b> 152:23 <b>legitimate</b> 68:2 76:2 <b>legitimately</b> 94:22 <b>lehman</b> 44:4 <b>lenders</b> 120:14 <b>length</b> 54:14 65:23 66:24 68:16 69:22 70:20 73:5 73:22 84:19 89:21 90:21 119:22 125:10 155:10 <b>lengthy</b> 23:24 24:18 27:5 60:2 73:4 110:15 <b>lennard</b> 7:17 <b>lessened</b> 107:17 <b>letter</b> 75:8 77:14 <b>level</b> 26:18 47:17 78:11 93:13 95:10	95:10 121:15,16 128:4 153:15 <b>levels</b> 68:5 <b>leventhal</b> 7:18 <b>levine</b> 7:19 <b>levitin's</b> 134:8 <b>lexington</b> 3:5 <b>lexis</b> 118:25 120:12,21 131:24 140:4 150:24 <b>liabilities</b> 112:20 113:1 126:1,2 <b>liability</b> 29:18 35:7 52:24 100:11 103:15 105:2 107:6 112:4,22,23 113:7,22 114:2 118:15 123:13 129:5 131:9,9 132:5,21,23,24 133:6 147:6 148:9 151:15 <b>liable</b> 57:5 101:22 123:24 133:12,13 <b>lianna</b> 10:4 <b>lie</b> 93:6,6 <b>liesenmer</b> 7:20 <b>life</b> 65:16 72:20 75:18 121:24 161:18 <b>light</b> 12:9 27:1 33:20 40:15 85:4 129:3 139:10 <b>lightsquared</b> 53:16 <b>liked</b> 16:3 <b>likelihood</b> 22:25 64:12 75:19 89:7 94:10 141:9,13 161:2 <b>likewise</b> 15:9 <b>limit</b> 102:23	<b>limitation</b> 18:1 111:24 150:16 <b>limitations</b> 102:22 155:18 161:22 162:3,13 <b>limited</b> 13:18 37:10 63:5 65:5 75:17 109:25 110:1 116:24 120:18,20 121:20 124:8 145:4 148:20 149:23 160:6,6 <b>limitless</b> 110:3 <b>linda</b> 7:1 <b>line</b> 64:17 123:8 155:2 <b>liquidate</b> 56:22 <b>liquidated</b> 32:5 60:20,21 139:23 144:10 <b>liquidating</b> 61:11 <b>liquidation</b> 32:13 32:14,20,22 56:19 57:9 65:17 99:6,9 99:13 118:5 119:8 141:14 143:19 144:24 148:22 <b>lisovicz</b> 7:21 <b>list</b> 105:7 <b>listen</b> 2:4 <b>lists</b> 150:13 <b>literally</b> 26:7 61:10 82:14 99:7 <b>litigated</b> 89:4 <b>litigation</b> 22:18 36:3 43:1 61:11 66:14,19,20 74:8 74:18 85:6 88:4 89:5,8 94:10 95:5 96:20 98:14,18,19 99:3,4,22 103:5 103:18 106:17	114:3 149:7 <b>litigations</b> 103:6 <b>little</b> 16:17 57:7 60:6 <b>litton</b> 128:14 <b>live</b> 16:1 96:10 107:17 153:18 <b>lives</b> 165:16 <b>livy</b> 8:9 <b>llc</b> 43:25 48:21 63:24 89:22 97:18 116:25 118:4 120:10,14,15 122:6 130:20 149:6 <b>lloyd</b> 52:25 61:17 <b>llp</b> 3:3,11 4:8 <b>loan</b> 120:11 <b>local</b> 22:5 23:4 92:21 <b>logic</b> 39:19 119:24 121:1,1 <b>long</b> 12:13 15:2 55:3 76:11,11 89:1 137:24 155:9 165:18 <b>longer</b> 152:9 <b>longmire</b> 7:22 <b>look</b> 29:21 63:20 85:4 97:3 101:10 144:15,21 160:23 <b>looked</b> 29:8 <b>looking</b> 101:12 149:21 <b>looks</b> 71:15 130:16 <b>losing</b> 88:11 <b>loss</b> 152:1 <b>lost</b> 141:22 <b>lot</b> 121:15 156:15 165:8 <b>loud</b> 20:4
--	--	---	--

<b>louis</b> 4:23 <b>lowenschuss</b> 123:2,2 124:5 <b>lower</b> 120:13 121:16 <b>lowne</b> 7:23 30:20 <b>lowne's</b> 77:11 <b>lp</b> 12:3 65:6 68:24 121:2 <b>lumber</b> 122:25 123:20 124:3 <b>lynch</b> 116:23 120:18,19 125:20	<b>mandate</b> 45:15 114:19 <b>mandatory</b> 129:17 <b>manner</b> 64:10 <b>manufacture</b> 77:23 <b>manufacturers</b> 43:10 <b>manville</b> 49:3 64:19 111:4,7,14 111:14,18,25 112:8,8,13,14,18 112:21 113:4 116:22 122:4 123:18 125:20 126:16 129:21 <b>mara</b> 7:18 <b>marc</b> 7:11 10:7,18 <b>march</b> 18:8 <b>margin</b> 94:4 <b>marginally</b> 25:24 <b>marine</b> 92:19 115:17 <b>mario</b> 5:11 <b>marion</b> 9:8 <b>mark</b> 5:4,15 7:2 8:25 92:5 <b>marketing</b> 21:22 104:3 142:11 <b>markman</b> 6:11 <b>marshaled</b> 140:19 <b>marshaling</b> 140:16 <b>marshall</b> 3:8 13:2 130:19 <b>marshalling</b> 140:13 <b>marsters</b> 8:1 <b>martin</b> 11:7,8 <b>mascini</b> 120:19 <b>mass</b> 22:15,16 39:14 45:1 52:24	123:21,23 <b>massive</b> 21:22 22:16 <b>master</b> 40:5 <b>masumoto</b> 8:2 <b>material</b> 13:11 16:10,13 <b>materially</b> 90:2 143:16 <b>math</b> 74:14 <b>mathew</b> 5:22 <b>matter</b> 1:5 48:23 102:6 109:3 115:14,20 119:20 120:5 121:8 123:19 136:3 139:14 144:11 150:1 <b>matters</b> 69:8 103:6 109:12 155:17 157:4,10 <b>matthew</b> 3:23 5:25 158:18 159:10 <b>maura</b> 8:13 <b>maximally</b> 161:16 163:3 <b>maximizing</b> 65:15 <b>mayer</b> 8:3 <b>mcclammy</b> 8:4 <b>mccloud</b> 8:5 <b>mcdonald</b> 8:6 <b>mcgaha</b> 76:1,7,9 <b>mcgee</b> 130:21 <b>mcmahon</b> 91:10 120:24 <b>mcmann</b> 135:7 <b>mcnulty</b> 8:7 <b>mcorp</b> 149:14 <b>md</b> 53:1 <b>mdl</b> 15:5 <b>mdp</b> 20:24	<b>mdt</b> 20:16 40:4 161:10,13 <b>mean</b> 68:21 95:5 107:5 126:7 156:13 163:7 <b>meaning</b> 63:17 143:25 145:2,3,5 <b>meaningless</b> 64:4 <b>means</b> 22:12 24:1 26:9 31:8 36:7 63:16 68:13 85:12 105:7 127:13 <b>meant</b> 114:23 <b>measure</b> 30:5 61:21 68:2 105:1 107:24 141:24 147:16 <b>measures</b> 68:7,8 76:9,10 77:11,21 80:22 <b>mechanism</b> 46:1 47:1 66:11 75:1 126:13,18 127:2 137:14 139:18 161:7 <b>mechanisms</b> 46:12 78:20 80:19 107:14 126:20 <b>media</b> 26:5,8,17 27:16 71:16 81:21 95:11 118:14 <b>mediation</b> 43:17 43:20 44:24 47:25 50:19,20 54:13,21 54:23,25 55:1 60:3 61:12 65:24 69:21 73:5,18 83:17,23,25 84:3 84:16 86:9 105:18 105:20 <b>mediations</b> 50:13 90:22
--	--	---	---

<b>mediator</b> 84:8,10	<b>metromedia</b> 122:1,2 135:15	<b>mitnick</b> 8:11	<b>motions</b> 164:25
<b>mediator's</b> 44:12	<b>mezei</b> 8:9	<b>mo</b> 69:3	165:1
44:14,22 45:24	<b>mic</b> 19:20	<b>model</b> 33:13 34:2	<b>motors</b> 118:4
<b>mediators</b> 46:13	<b>mich</b> 115:4	78:7,10,12 153:2	119:8 149:6
46:25 73:6,21	<b>michael</b> 4:19 6:9	<b>modest</b> 106:18	<b>moves</b> 17:14
83:15,24 90:22	8:19 9:25 10:24	<b>modified</b> 24:23	<b>msg</b> 14:16
<b>mediators'</b> 83:19	75:6 77:13 97:7	84:15 155:12	<b>msge</b> 158:8
<b>medical</b> 69:2	<b>michele</b> 6:21 8:8	<b>modify</b> 24:23	<b>muha</b> 8:15
<b>meets</b> 87:2 127:17	9:6	<b>mogul</b> 39:15	<b>mullane</b> 118:2
<b>megan</b> 9:17	<b>middle</b> 105:17	<b>molton</b> 8:12	<b>multi</b> 41:12 42:25
<b>meises</b> 8:8	<b>midway</b> 125:7	<b>moment</b> 50:18	164:16
<b>melissa</b> 6:6 10:23	<b>millennium</b>	111:12 122:5	<b>multifactor</b>
<b>member</b> 29:4	116:25 120:10,11	123:16	136:25
<b>members</b> 15:5	120:14,15 122:6	<b>monaghan</b> 8:13	<b>multiple</b> 108:6
23:12 44:7 58:16	<b>miller</b> 8:10	<b>monarch</b> 121:24	118:16 164:21
69:4,19 71:25	<b>million</b> 38:9 72:14	<b>monday</b> 157:13	165:9
75:15 96:5 100:16	87:17 91:21 95:25	<b>monetary</b> 81:2	<b>multiplier</b> 78:24
102:15 103:24	141:16	138:17,22	<b>multiut</b> 69:15
152:13 153:4	<b>mind</b> 97:11	<b>money</b> 56:11	<b>municipalities</b>
159:3	<b>mineola</b> 167:23	60:24 61:13 67:9	33:7,25 51:6,21
<b>mention</b> 14:22	<b>minimizes</b> 75:1	67:16 75:4,17	52:15 55:20 58:9
<b>mentioned</b> 51:5	<b>minimum</b> 72:1	87:7,22,25 90:14	61:4 154:19
157:16	<b>minor</b> 12:7	95:22 99:18	<b>murray</b> 8:16
<b>merchants</b> 43:10	<b>minus</b> 74:14	104:21 149:19,21	<b>mute</b> 157:3
<b>merits</b> 88:10	<b>minute</b> 18:20	151:5 152:2	<b>n</b>
94:20 95:5 100:4	155:19	156:15 165:15	<b>n</b> 3:1 6:3 12:1
100:18 101:1	<b>misconduct</b> 65:17	<b>monies</b> 75:21	167:1
104:6 107:21	147:20 153:13	<b>monitor</b> 76:20	<b>n.3</b> 97:19
108:3 117:4	<b>misheard</b> 155:23	102:3,11	<b>n.d.</b> 69:15 133:9
121:10 142:1,15	<b>mislead</b> 72:4	<b>monitoring</b> 41:24	<b>naacp</b> 54:25
149:15	81:25	<b>month</b> 159:25	<b>nail</b> 84:15
<b>message</b> 151:13	<b>misleading</b> 82:9	<b>months</b> 15:18	<b>name</b> 97:21
<b>messrs</b> 43:17 60:3	<b>misled</b> 76:5	37:9 86:9 164:23	<b>named</b> 81:1
73:7	<b>missed</b> 24:22	<b>moral</b> 105:11,11	<b>naming</b> 87:19
<b>met</b> 30:14 34:13	<b>mission</b> 14:10	<b>morales</b> 8:14	<b>narrow</b> 14:1
125:25	<b>misstatements</b>	<b>morgan</b> 40:10	17:23 34:4 104:19
<b>meta</b> 19:12	156:20	<b>morning</b> 12:2	114:11 121:24
<b>method</b> 123:21	<b>mistake</b> 112:2	19:14,25 20:2,3	<b>narrowed</b> 18:18
<b>methodology</b>	<b>misunderstanding</b>	107:13 163:16	27:11 108:13
67:15	112:3	<b>morning's</b> 12:4	142:12 143:15
<b>methods</b> 67:9	<b>mitchell</b> 4:20 6:24	<b>mortimer</b> 156:2	<b>narrowing</b> 13:11
<b>metrics</b> 78:20	52:25 61:17	<b>motion</b> 163:25	<b>nas</b> 41:24,25
79:5,6,13		164:1 165:23	86:16

[nathalie - notwithstanding]

Page 33

<b>nathalie</b>	8:18	<b>negotiated</b>	14:12 15:3 16:1 43:15 68:16 92:25 99:11 105:8	<b>news</b>	18:19	<b>normally</b>	90:4
<b>nathaniel</b>	8:10	<b>negotiating</b>	70:19	<b>nexus</b>	132:16	<b>normile</b>	72:10
<b>nation</b>	51:21	<b>negotiation</b>	70:21 74:19 84:19 106:20	<b>nicholas</b>	9:5	<b>north</b>	96:1 148:8
<b>national</b>	35:8 67:25 122:8 123:4 140:5	<b>negotiations</b>	15:17 37:13 56:2 65:23 66:1,24	<b>nickolas</b>	7:8	<b>note</b>	19:6 24:13
<b>nations</b>	33:7 51:6 52:16 55:20 61:4	<b>neiger</b>	8:17 137:24	<b>nieves</b>	8:18		28:1 34:14 35:9
<b>native</b>	33:24 51:22 52:3 54:10 55:22 83:2 86:12	<b>neighboring</b>	69:22 73:22 67:22	<b>ninth</b>	124:7 125:10		39:18 40:6,15
<b>nature</b>	22:2 33:22 34:4 42:13 66:1 70:21 89:18 92:13 100:6 112:2 116:8 151:8 153:20	<b>neil</b>	7:9 145:1,16	<b>noat</b>	52:3 55:16 63:7,8,12 65:22 66:23 67:7,16 68:3,14 70:2,19		45:21 52:13 57:3
<b>navigators</b>	35:6	<b>neither</b>	68:19 37:2,6	<b>nobody's</b>	16:23 51:10,10,14 53:21		85:23 90:12 101:6
<b>ncsg</b>	14:14	<b>net</b>	23:13	<b>nom</b>	111:5		106:8 107:12
<b>nearly</b>	53:20	<b>network</b>	115:17 122:1,2 135:15	<b>non</b>	4:9 43:5 51:10,10,14 53:21		108:1,10 115:16
<b>nebulous</b>	33:5	<b>neutral</b>	36:11,14 37:2,6	<b>noted</b>	11:5 131:5,5,6 133:4		120:22 123:16,19
<b>necessarily</b>	68:8 79:3	<b>nevada</b>	55:8 115:4 129:8	<b>notes</b>	11:5 133:12,15 135:20		124:3,15 148:5
<b>necessary</b>	42:9,15 56:24 82:15 115:13 128:20 136:17,20 138:7 140:1 154:5 161:17	<b>never</b>	17:7,7 60:21 96:6 165:7	<b>notice</b>	11:5 136:4,13,16,21,22		151:4 153:11
<b>necessity</b>	43:6 136:14	<b>nevertheless</b>	38:3 45:22 60:25	<b>nonconsensual</b>	11:5 137:4,6 138:22 145:14 154:21 155:1,3		163:24
<b>need</b>	14:22 15:21 28:16 32:20 36:12 46:16 47:10 54:7 104:25 105:13 136:7 138:5,6 140:2 148:2,4	<b>new</b>	1:2 3:6,14,21 4:4,11 14:5 49:11 51:2 67:19 86:20 97:14 102:8 122:24 127:2	<b>nonconsenting</b>	11:5 83:21 84:4 158:11 158:15 159:2,4		163:24
<b>needing</b>	155:15	<b>newco</b>	14:4,7 34:11 62:21 76:7 76:19,19,20,20,21	<b>nondisclosure</b>	91:6 86:11		163:24
<b>needn't</b>	61:13		80:5 87:5,21 153:2	<b>nongovernmental</b>	91:6 86:11		163:24
<b>needs</b>	134:13 137:23			<b>nonopioid</b>	154:14		163:24
<b>negligently</b>	133:21			<b>nordic</b>	148:7		163:24
				<b>normal</b>	88:3,15 91:13 103:20 154:15		163:24

**[notwithstanding - opportunity]**

Page 34

103:22 106:9 111:17 124:4 150:10 <b>november</b> 150:12 <b>number</b> 13:5,13 13:16,21 14:14 16:16 18:1 19:7 25:24 28:14,22,24 49:22 53:2 71:4 72:23 91:22 98:12 104:24 124:24 125:16 135:16 139:25 165:20 <b>numerous</b> 91:18 <b>nw</b> 63:24 <b>ny</b> 1:14 3:6,14,21 4:4,11 167:23 <b>nys</b> 40:11	29:5 33:5 35:10 39:2 40:14,21,22 40:25 47:17 48:11 48:15 49:1,6 51:3 51:6,19 52:11,14 56:16 57:17,19,20 61:2,22 63:6,10 70:13,23 79:19,21 80:25 94:3 108:7 109:1 116:15,18 117:7 119:14,16 153:11 <b>objections</b> 18:17 19:7,12 27:19 29:7 30:25 31:3 32:24 34:22 35:3 35:5 40:18 48:5 56:4 70:25 71:1 75:25 79:17 90:5 107:22 108:10 118:2,16 124:23 139:3 <b>objectives</b> 65:14 <b>objectors</b> 29:13 31:20 32:7 36:10 48:12 51:21,25 52:5 54:9,11 56:10,25 57:12 61:5 72:16 76:3,4 79:19 80:9 81:1 81:20 107:20 108:11 110:12 111:3 114:15 115:16 116:15 143:21 152:18 <b>obligation</b> 43:16 70:9 101:18 <b>obligations</b> 161:20 <b>observation</b> 123:24 <b>observed</b> 135:19	<b>obtain</b> 74:24 75:24 83:6 <b>obtained</b> 74:3 89:19 98:1 102:6 <b>obtaining</b> 72:5 74:8 151:4 <b>obtains</b> 154:16 <b>obviate</b> 36:6 <b>obviating</b> 28:16 <b>obvious</b> 61:6 88:5 146:18 <b>obviously</b> 14:10 15:6,23 17:14,15 18:12 19:18 24:24 58:4 87:22 88:9 95:6 101:17 107:6 118:7 159:17 <b>occur</b> 121:20 139:20 161:9 <b>occurred</b> 98:19 100:6 130:8 <b>occurs</b> 159:21 162:18 <b>oct</b> 140:5 <b>october</b> 127:5 <b>offered</b> 145:22 <b>office</b> 104:3 120:20 <b>officers</b> 23:12 89:19 96:8 <b>offices</b> 116:23 120:18 152:19 <b>official</b> 14:22 15:3 41:4 75:7 76:23 82:20 91:3 93:24 122:24 <b>offshore</b> 96:9 104:21,21 <b>ohio</b> 133:9 <b>oig</b> 102:11 <b>oil</b> 44:1 <b>okay</b> 12:2 13:1 19:24 20:21 21:2	21:12 157:7 159:9 163:1,6,13,18 164:10 166:8 <b>oklahoma</b> 147:10 <b>old</b> 167:21 <b>omitted</b> 136:11 <b>omitting</b> 113:13 <b>once</b> 72:18 <b>one's</b> 144:23,25 <b>op</b> 45:19 <b>open</b> 21:3,4 37:25 159:16 <b>operate</b> 54:11 <b>operating</b> 14:3,12 76:20,21 89:22 <b>operation</b> 142:11 <b>opinion</b> 24:15 46:20 111:15 119:8 121:21 124:25 126:21 132:4 135:8 <b>opinions</b> 119:23 119:24 120:9,13 159:14 <b>opioid</b> 21:22 22:9 25:5 26:14 35:17 35:18 36:8 38:10 39:3,4 60:19 61:13 63:9 66:6 67:25 68:11 70:17 72:21 80:18 87:19 103:6 108:16 131:5,6 133:21 154:21 155:1,3 <b>opioids</b> 22:4 26:15 54:12 60:24 68:10 76:8,11,12 106:13 142:12 <b>opponent</b> 94:24 <b>opponents</b> 95:1 <b>opportunity</b> 37:15 68:22 69:9 69:20 118:1
---	--	---	---

**[opportunity - partners]**

Page 35

137:17 159:12 <b>opposed</b> 24:14 51:17 52:6 53:9 58:21 60:24 79:2 98:14 119:18 130:10,14 132:12 134:16 160:25 <b>opposition</b> 83:9 <b>opt</b> 120:13 <b>oral</b> 24:11,14 33:8 40:15 46:10,21 49:10 52:14 <b>order</b> 12:12 14:18 16:9,14,19 20:16 35:13 36:11 37:11 37:15 41:5,16,17 52:18 90:11 91:14 116:8 117:3 119:17 121:12 128:20 155:8,11 157:17,19,20,21 157:22 158:2,5,6 158:11 159:22,23 160:8,8,13,15,16 161:3,3,4,21 162:1,2,6,10,11 162:15,15,17,17 162:22 163:15 164:3,6,9,19 <b>orders</b> 16:25 41:8 41:12 157:23 <b>ordinary</b> 22:5 <b>oregon</b> 158:19 <b>organized</b> 97:10 155:25 <b>original</b> 13:19 110:19 <b>originally</b> 18:7 37:5,24 <b>osus</b> 109:24 110:6 <b>otero</b> 118:21 <b>outcome</b> 85:1 109:23 113:10	141:25 <b>outcomes</b> 90:15 <b>outlined</b> 37:16 107:8 154:4 <b>outs</b> 151:3 <b>outside</b> 96:10 156:8 <b>overall</b> 68:15 156:14 <b>overdoses</b> 80:20 <b>overlap</b> 115:24 <b>overnight</b> 108:20 <b>overriding</b> 153:25 <b>overrule</b> 40:13 51:3 57:16 107:22 <b>overruled</b> 47:18 <b>oversee</b> 14:23 <b>oversight</b> 15:24 76:17 <b>overwhelming</b> 29:12 94:4 <b>overwhelmingly</b> 28:19 29:23 30:5 52:7 137:13 138:24 <b>owed</b> 111:21 <b>owned</b> 91:12 <b>owners</b> 21:24 <b>oxycontin</b> 22:4 <b>ozment</b> 8:23 <b>o'neil</b> 8:19 <b>o'neill</b> 8:20 <b>o'sullivan</b> 8:21 <b>p</b> <b>p</b> 3:1,1 6:18 11:6 12:1 114:25 150:8 <b>p'ship</b> 130:1 <b>p.c.</b> 3:18 <b>p.m.</b> 81:13 <b>paca</b> 15:5 <b>pacific</b> 122:25 123:19 124:3	<b>packaging</b> 76:12 <b>page</b> 154:13 155:8 <b>pages</b> 12:13 91:23 <b>paid</b> 41:6 45:8,9 45:10 49:14 52:1 62:19 69:19 82:18 87:9 103:4 106:14 106:15 139:4,8,24 152:12 <b>pain</b> 85:2 <b>pamela</b> 10:17 <b>paragraph</b> 16:8 31:11 42:12 46:1 47:4,22 53:15 59:21 64:7 134:21 154:12 157:19,20 161:21 162:14 <b>paragraphs</b> 45:2 45:3 <b>parens</b> 58:20 <b>parent</b> 115:25 <b>paris</b> 9:17 <b>parmalat</b> 109:25 <b>parse</b> 27:6 <b>parsing</b> 27:18 <b>part</b> 12:16 14:10 14:19 15:5 21:14 26:11 39:12 43:14 45:11 47:24 61:12 62:9,17 66:22 71:17 81:19 88:3 88:5,15 90:13 94:13 102:5 107:14 114:6 116:20 125:14 130:14 164:1 <b>participate</b> 50:19 51:23 54:20,23 55:1 70:5,5,12 <b>participated</b> 52:3 <b>participating</b> 129:5	<b>particular</b> 36:20 54:3 61:25 62:10 159:12 <b>particularly</b> 25:1 73:1 93:5 101:4 108:4 136:7 143:9 <b>parties</b> 13:13,20 14:11 17:16 19:13 19:17 20:11,24 21:6,13,17 22:22 23:7,16 24:9,9,16 25:1,17,18 27:8 32:9,9 34:17 37:17 39:5 40:24 46:11,12 47:6 51:16 56:7,15 66:17,25 71:4,4 72:9 77:19 78:21 80:21 81:3,5,8,17 85:20,20 86:13 89:13 91:12,19 93:20 94:15 98:7 98:25 99:25 100:2 105:2,10,23 106:4 108:7,9,14,16,18 108:22,23 109:5 109:15 113:17 115:25 117:25 120:9 121:13 123:24 128:10 129:5 130:6,9,11 131:5,22 133:12 134:22 137:10 138:11,14 139:5,6 140:24 141:3,20 141:21 143:13,14 144:16 146:8,19 152:7,22 159:15 161:13,14,15,18 164:21 165:9 <b>parties'</b> 86:1 <b>partners</b> 65:6 68:24
--	--	---	---

## [partnership - place]

Page 36

<b>partnership</b>	101:20	<b>paul</b>	9:15 10:5,6 92:19	<b>percent</b>	25:23 26:19 28:20 29:2 29:2,4,13 38:7,18 38:24 44:20 50:21 60:13,14,14,15 70:3,9,12 75:13 84:21,21 93:24,25	75:2,5,10,14,22 86:7,16 96:13 148:10	
<b>party</b>	18:14 21:8 27:4 29:17 32:8 48:23 54:15 56:6 56:22 57:20 61:21 66:16 71:1 81:9 81:16 83:18 85:18 87:8 96:20 101:12 104:9 108:3,8 109:1,18 110:10 110:17 111:1,10 111:16,17,22 112:12,16 113:21 114:1,4,4,10 115:20 116:9,16 117:5,11,15 118:9 118:16 119:12,14 121:12,19,23 122:22,24 124:8 124:19,24 125:4,7 125:12,25 127:23 129:18 130:12,13 130:15,17,18 131:13,15,17 132:3,7,7,11,17 133:6,7,11,15,24 134:7,15,20 135:2 135:13 137:3 138:25 140:3,8,11 140:16,21,22 141:23 142:9,22 143:2,18 144:3,24 145:10 147:4 148:14	<b>pay</b>	15:22 36:7 39:13 43:16 101:15,17 137:14 139:18	<b>payable</b>	134:15	<b>pertaining</b>	40:23 77:9 119:15 121:13 142:10,23
<b>party's</b>	109:18 112:1 131:3 132:21	<b>payer</b>	41:25	<b>paying</b>	15:14 25:4 60:24 95:22 107:8 152:2	<b>perfect</b>	16:2 156:23 163:6
<b>patriae</b>	58:20	<b>payment</b>	31:10,13 36:9 41:19,22,25 42:1,2 49:17 57:10 62:14 69:5 101:23 135:25 140:17,17 147:9 147:10 148:23 149:19	<b>percentage</b>	25:25 58:2,3	<b>pervasively</b>	27:22
<b>patrick</b>	8:19	<b>payments</b>	38:8 42:4 50:4 66:17 66:19 79:2 141:4 145:25 146:2	<b>perfectly</b>	61:15 146:17 160:24	<b>perventure</b>	17:6
<b>patterson</b>	96:23	<b>payors</b>	83:10	<b>performance</b>	90:15	<b>peter</b>	5:12 44:14 74:17
<b>paucity</b>	147:8	<b>peabody</b>	55:4 64:14 150:19	<b>performed</b>	161:19	<b>petition</b>	41:7 42:8 42:22,23 43:8 44:17,18
		<b>peacock</b>	8:24	<b>period</b>	37:22 145:21,24 158:6,7 163:7	<b>petroleum</b>	115:17
		<b>peculiar</b>	67:16	<b>periodic</b>	79:9	<b>ph</b>	72:10
		<b>pendency</b>	117:25	<b>permanence</b>	127:16	<b>ph.d.</b>	38:20
		<b>pending</b>	43:1 149:2 160:19 164:1	<b>permanent</b>	124:22	<b>pharma</b>	1:7 2:6 12:3 121:2
		<b>pension</b>	92:22	<b>permit</b>	91:7	<b>pharmaceutical</b>	118:25
		<b>people</b>	14:9 22:5 23:3 26:5,13 28:22 30:4 58:6 73:17 76:2 84:8 93:2 96:10 104:21	<b>permits</b>	128:25 129:4	<b>pharmacy</b>	119:1
			107:5 153:19 154:13 165:6	<b>permitted</b>	149:2	<b>philip</b>	4:18
		<b>pepper</b>	128:14	<b>person</b>	13:22 22:9 31:14 71:14 74:15 154:16	<b>phillips</b>	43:18 60:3 73:7 84:7
		<b>pepsico</b>	92:20	<b>person's</b>	75:18 148:12	<b>phone</b>	159:7
				<b>personal</b>	26:23,25 29:1 38:9 42:1 48:24 50:12,14,21 50:23 72:14,22 73:3,13,17,19,24 74:2,4,20,22,24	<b>phrase</b>	59:14 144:5 155:1,1

101:14,21 102:4 103:14 162:8 <b>placed</b> 54:6 <b>plain</b> 143:25 145:2,3,5 <b>plains</b> 1:14 <b>plaintiffs</b> 15:19 105:23 <b>plan</b> 2:6 12:6,8,10 12:20 13:9 14:5 17:21 18:2,7 20:9 20:13,23 21:8,16 21:20 23:22,24 24:9 25:8,16,18 26:21,22 27:4,13 27:24 28:1,3,4,8 28:13,15,19,21 29:6,9,23 30:5,10 30:12,18 31:1,7 31:11,15,17,21,25 32:1,2,3,10,12,13 32:15,17,18,19,22 32:23,25 33:9,12 33:17,19,22 34:12 34:14,21,22,24 35:15,18,19,24 36:7,10,13,14,15 36:22,23 37:6,14 37:19,23 38:3,14 39:12,12 40:2,19 40:22 41:1,2,11 41:14 42:4 43:8 45:8 46:1,20 49:16,19 50:8,22 51:4,7,15,24 52:7 53:12,22 54:2 55:22 56:2,13,16 56:25 57:2,15,21 57:22 60:7,7,12 60:23,23 61:22,24 62:3,9,17,21 63:3 63:6,7,11,14,14 63:20,21 64:10,11	64:12,17,25 65:1 65:1,9 67:8 69:3 70:25 71:2,9,11 71:12,13,18 72:6 72:13 74:19 75:8 75:11,13,14,15,21 76:5,8,19 77:15 78:5 79:5,9 80:13 81:2,4,23,24 82:4 82:5,5,10 83:8 84:14,20,20 85:7 85:9,17,21,24,25 86:2,23 87:2,2 89:24 90:6,6 93:23 99:12 101:17 104:9,25 106:12 108:8,12 108:13,19,25 111:2 116:9 117:4 117:9 118:16 119:11,15,17,19 120:2 121:4,9,13 124:10 125:14 126:1,15 135:25 136:19,20 137:13 137:14,17,24 138:7,19,19,23 139:2,17 140:8 141:4,8 143:17,22 144:3,4,7,13 145:1,12,15,22 146:4,17 150:20 151:2,3,6,10,19 151:20 153:1 154:3,3,5,8,9,11 154:13,25 155:12 159:20 160:10 161:20,25 162:8 162:11,14 <b>plan's</b> 35:3,17 38:5 39:2 50:8 53:8 55:24 56:5 71:1 104:14	111:18 117:14 <b>plans</b> 120:7 126:7 128:23 <b>play</b> 77:6 <b>plea</b> 49:8 100:23 <b>pleading</b> 17:3 <b>pleadings</b> 18:24 164:12 <b>please</b> 165:13 <b>plenty</b> 162:19 <b>plevin</b> 8:25 <b>plus</b> 93:25 95:22 95:24 96:1 <b>plymouth</b> 148:8 <b>pm</b> 166:13 <b>podium</b> 18:20 <b>pods</b> 96:4 <b>pohl</b> 9:1 <b>point</b> 17:10,18 27:17 32:25 33:5 40:7 43:12 47:18 56:8 77:21 81:18 94:3,12 111:12,13 115:9 120:17 121:7,21 126:9,10 132:4 139:13 147:22,24 148:5 150:25 157:3 159:6 160:3,5,21 161:11 164:23 <b>points</b> 29:19 84:10 97:24 <b>police</b> 148:15,18 148:22 149:3,4,8 149:10,16,20,22 150:2,11,17,22 151:12 154:1 <b>policies</b> 39:13 40:3 65:14 114:5 <b>policy</b> 21:5 34:1,4 130:23 <b>political</b> 41:21 57:23 58:9,12,19	58:25 77:2 <b>polk</b> 3:3 157:9 <b>pool</b> 123:22 <b>population</b> 25:23 25:25 26:4,19 68:2 <b>populations</b> 67:18 67:19 70:2 <b>porter</b> 9:2 <b>portion</b> 46:22 <b>portions</b> 40:13 <b>portrayed</b> 58:4 <b>poses</b> 113:23 <b>position</b> 30:2 58:18 105:10 128:2 158:12 <b>positive</b> 13:4 <b>possession</b> 13:3 <b>possibility</b> 37:25 <b>possible</b> 17:6 25:4 96:18 162:8 <b>possibly</b> 142:3 <b>post</b> 3:12 20:1 41:7,7 42:8,22 43:8 44:7 124:11 <b>postponed</b> 36:12 <b>pot</b> 75:17 <b>potential</b> 22:10 25:13 27:9 49:22 72:24 83:9 107:16 113:8 137:22 161:24 <b>potentially</b> 21:4 92:8 <b>power</b> 34:25 45:18,19 46:5 48:15 106:5 109:14 114:25 119:16 120:5 121:11,17 127:25 128:10 129:12,18 133:15 134:1,3,5 135:17 148:15,19
---	---	---	--

148:22 149:3,4,8 149:16,20,22 150:2,10,11,16,17 150:18,22 151:12 154:1 <b>powers</b> 126:23 128:15,19,23 <b>practicable</b> 24:17 <b>practices</b> 148:11 158:14 <b>pre</b> 42:23 44:17 44:18 114:15,16 124:11 <b>preceded</b> 90:23 <b>precedent</b> 24:3 <b>precedential</b> 160:25 <b>precise</b> 69:13 <b>precisely</b> 68:19 <b>preclude</b> 110:17 128:12 <b>precluded</b> 32:10 44:6 58:20 95:19 <b>precludes</b> 48:25 123:10 125:4,13 148:25 <b>precluding</b> 124:4 <b>preferences</b> 29:25 <b>preferable</b> 159:13 <b>preis</b> 9:3 <b>prejudiced</b> 165:3 <b>preliminary</b> 95:18 109:17 121:4 157:11,14 157:18,25 158:5 159:5 160:9 <b>premise</b> 133:19 <b>premised</b> 22:15 <b>prepared</b> 47:1 106:2,6 143:11 158:25	<b>preponderance</b> 30:14 <b>prescribed</b> 64:13 65:10 87:22 133:21 148:18 <b>prescription</b> 74:6 135:3 <b>present</b> 4:15 22:11 89:4 118:1 <b>presented</b> 22:12 47:14 <b>presenting</b> 75:2 <b>preserve</b> 161:17 163:3 <b>preserved</b> 34:20 51:15 <b>preserving</b> 65:14 75:23 <b>president</b> 127:9 <b>presiding</b> 33:10 <b>press</b> 9:4 <b>pretend</b> 18:16 <b>prevent</b> 108:22 110:10 <b>prevention</b> 80:19 <b>previous</b> 112:5 <b>previously</b> 41:9 43:23 59:6 68:18 82:24 84:14 113:15 122:4 125:21 133:3 150:5 <b>prey</b> 9:5 <b>price</b> 72:20 <b>primarily</b> 22:2 25:9,18 65:21 82:22 96:9 100:19 101:12 130:19 133:12 <b>primary</b> 13:8 17:23 22:4 23:21 76:22	<b>principle</b> 37:4 128:13 <b>principles</b> 64:3 <b>prior</b> 25:11 67:4,5 124:5 127:15 <b>priority</b> 59:2 62:18 86:25 89:25 90:3,7 <b>prism</b> 79:20 <b>prison</b> 26:11,13 26:16 48:9 <b>prisoners</b> 26:17 27:1,1 <b>prisons</b> 26:12 <b>private</b> 48:1 54:15 86:17,19 87:11 151:2 <b>privilege</b> 152:6 <b>priya</b> 4:21 <b>pro</b> 71:4 79:19 80:25 81:20 141:15 <b>probability</b> 89:3 <b>probably</b> 73:25 74:7 163:15 165:19 <b>problem</b> 22:12 48:11 67:25 142:6 <b>problems</b> 104:16 107:15,16 <b>procedural</b> 63:19 163:24 <b>procedure</b> 75:1 <b>procedures</b> 26:23 63:8 66:12 68:14 70:3 74:21 75:23 78:16 79:6,13 80:4 118:17 <b>proceed</b> 24:13 28:4,16 91:7 <b>proceeding</b> 33:11 48:16 109:22 120:1,25,25	157:14 <b>proceedings</b> 1:12 110:21 118:7 166:12 167:4 <b>proceeds</b> 40:4 49:13 <b>process</b> 37:5,23 39:7 53:4 65:1,24 69:4 74:18,19 79:14 83:7 84:12 85:4,7 88:3,15 90:23 106:20 107:2 116:17 117:7,13,21,22 119:13 124:20,22 <b>produce</b> 69:19 <b>produced</b> 91:21 <b>product</b> 22:4,15 76:16 89:20 90:16 90:21 104:1 152:24 <b>production</b> 76:15 <b>products</b> 21:22 22:9 26:2,6 77:10 77:24 78:2 80:16 80:17 84:24 90:18 132:10 <b>professional</b> 42:10 <b>professionals</b> 41:3 41:3,4,8 <b>professor</b> 70:23 <b>professors</b> 71:24 <b>program</b> 25:22 26:3 99:16 102:8 102:9 104:5 <b>programs</b> 78:13 79:1 <b>project</b> 140:3 <b>projected</b> 141:25 <b>projections</b> 33:3 <b>promises</b> 15:24
--	---	--	--

<b>promptly</b> 24:17	<b>proposition</b> 88:14	129:1,7 140:8	<b>purdue's</b> 96:6
<b>prongs</b> 136:3	114:18 125:3	154:12,19 157:16	100:20 104:1
<b>pronouncing</b>	<b>propriety</b> 115:1	162:11	152:18
72:11	124:18 133:14	<b>provisions</b> 27:5,7	<b>purport</b> 130:25
<b>proof</b> 30:10,12,23	<b>prosecute</b> 154:13	27:8 28:9,16	<b>purportedly</b>
48:12 75:4,24	<b>prosecutor</b> 72:8	30:17,22,24 31:2	131:15
110:7 143:6	<b>protection</b> 97:17	33:16 37:14 39:8	<b>purpose</b> 66:18
145:23 146:4,6,22	157:25	40:23 52:12 56:22	67:6 76:18 95:6
148:3	<b>protective</b> 88:16	57:1 62:21 63:4	149:17,18
<b>proofs</b> 48:18 51:7	<b>protects</b> 131:14	64:4 71:2 76:19	<b>purposes</b> 31:3
<b>proper</b> 53:10	<b>protracted</b> 89:7	77:15,25 128:21	52:16,19 59:9
59:10 61:22 73:12	<b>proven</b> 151:13	129:2,3 151:8	61:1,6,16 79:25
78:22 79:20 81:14	<b>provide</b> 24:4 42:4	161:25 162:3,7	80:6 86:14,18
133:7,23 139:1	50:3 61:24 71:12	<b>public</b> 21:23 23:8	87:4,18 149:8
140:12 147:14	72:13 80:19,20	34:1,4 42:2 47:25	151:6
<b>properly</b> 36:17	91:13 117:14	51:22 54:10,15,16	<b>pursuant</b> 41:5
49:10 52:11 55:13	120:7 126:25	54:17 58:9 60:2,9	42:4 68:15
59:5,23 71:7	149:11 152:4,15	60:11,22 76:18	<b>pursue</b> 72:8 74:1
105:8 130:6 132:3	153:2 154:9	82:9 83:1 86:11	109:18 114:13
132:11 135:10	157:20 163:4	87:1,4,11 93:9,14	130:9 140:22
<b>properties</b> 123:4	<b>provided</b> 25:12	151:1 152:14	141:21 146:19
<b>property</b> 31:15	29:15 34:24 44:16	<b>public's</b> 93:11	152:22
32:2 55:11 65:15	45:25 47:22 52:17	<b>publications</b> 67:4	<b>pursued</b> 142:5
109:12 120:7	53:25 117:8	67:5,8	143:17 146:15
123:14 144:6	123:11 135:25	<b>publicly</b> 80:10	<b>pursuing</b> 42:23
<b>proponent</b> 28:4	136:18 148:21	<b>pulggari</b> 9:6	56:14 98:18
30:10 31:14,21	154:8 162:7,14	<b>pullo</b> 28:13	104:13 141:23
53:12 62:3 63:14	<b>provides</b> 36:14	<b>punishment</b>	142:7 146:13
145:23	38:24 41:2 42:6	151:11,20,23	147:13 152:8
<b>proponents</b> 146:4	75:21 76:5 85:10	152:1	<b>pursuit</b> 41:23
<b>proposal</b> 63:20,21	85:17 110:18	<b>purdue</b> 1:7 2:6	74:3 96:19 98:19
64:17 65:1 67:13	125:24 132:6	12:3 34:16,20	110:17
67:15 83:19	137:14,17 139:17	42:24 51:10,13	<b>put</b> 20:7 72:20
<b>proposed</b> 12:11	144:2 151:20	74:1 96:8 100:9	151:5 156:9 157:3
12:12,15,17 16:9	154:20	100:22,23 101:20	159:19
16:19 19:20 25:17	<b>providing</b> 26:12	101:21 102:7,12	<b>puts</b> 85:9
27:24 31:7 32:23	33:16 36:7 38:6	102:16 103:4,7,8	<b>putting</b> 54:6
37:14 50:9 55:23	71:19 141:7	103:14,20 104:24	<b>puzzling</b> 16:17
56:2 63:11,15,17	<b>provision</b> 20:15	106:17 121:2	<b>q</b>
64:4,10,11 82:1	28:5 30:13 32:7	135:8 147:21	<b>qualified</b> 134:22
85:24 89:12 93:19	40:2 44:9 46:6	152:2,8,16,20	<b>qualifying</b> 127:17
157:17,19 160:8	52:8 63:2,18	153:7 154:23	<b>qualms</b> 150:21
162:6,10	119:15 126:6		

**[quarropas - record]**

Page 40

<b>quarropas</b> 1:13	<b>raise</b> 155:21	<b>ready</b> 17:16	<b>received</b> 12:6,11
<b>queen</b> 55:12	<b>raised</b> 16:18 32:7	<b>real</b> 22:8 98:11	28:13 101:7,23
<b>question</b> 16:18	35:6 37:24 49:10	123:5 124:16	117:12 118:12
24:6 76:7 87:14	56:8 57:19 75:25	132:6 150:4	136:22 153:12
127:10 128:8	81:20,20 115:22	153:24	159:2
132:2 140:2,25	116:15 152:15	<b>realistic</b> 99:7	<b>receives</b> 135:20
141:20 159:18	<b>raises</b> 63:9 127:24	<b>realize</b> 138:2	<b>receiving</b> 32:11
<b>questioning</b>	<b>raising</b> 48:23 56:4	<b>reallocated</b> 79:12	103:8 139:21
115:18	147:2	<b>really</b> 13:12 15:7	<b>recipient</b> 143:1
<b>questions</b> 13:10	<b>ralph</b> 148:8	18:7 21:15 37:20	<b>recognition</b> 33:12
19:15 20:19 23:18	<b>ramirez</b> 48:21	47:19 51:11 57:7	33:16 34:2,8,11
23:21	<b>range</b> 22:9 44:20	65:24 72:2 79:17	115:7
<b>quick</b> 13:3 157:4	70:21	94:2 99:19 105:15	<b>recognize</b> 33:17
<b>quickly</b> 19:20	<b>ranges</b> 44:21	116:17 128:1	47:7 63:19 70:19
<b>quigley</b> 59:16	<b>rare</b> 22:20	129:20 130:5,12	73:23 97:20
65:3 69:14 110:13	<b>rarely</b> 72:25	130:18 133:4	104:22 105:4,5
110:24 111:7,14	<b>rata</b> 141:15	140:2 153:17	124:17 144:17
111:15 115:12,21	<b>rate</b> 41:25	165:2,22	148:18
116:13 129:13	<b>ratepayers</b> 72:17	<b>reason</b> 61:3,6	<b>recognized</b> 43:24
132:5 133:23	<b>rates</b> 46:15,16	73:14 88:5 99:13	52:24 55:7 65:13
134:24 143:16	<b>rating</b> 103:8	147:25	67:8 70:17 82:17
144:20 145:13,20	<b>ratings</b> 103:8	<b>reasonable</b> 31:19	82:18 91:10
<b>quinn</b> 9:7	<b>rational</b> 54:8 55:3	33:21 42:9 45:14	124:18 134:5
<b>quirk</b> 9:8	55:24 62:5,6	46:2,6 47:1,10	142:24 148:24
<b>quite</b> 15:25 27:13	<b>raw</b> 139:14	53:13 54:24 64:11	149:19,25
107:14 131:17	<b>ray</b> 86:20	67:10 74:11,14	<b>recognizes</b> 66:9
141:25 156:12	<b>raymond</b> 156:6	79:15 136:22	68:6 75:9 104:18
165:2	<b>rdd</b> 1:3 2:2	<b>reasonableness</b>	126:6 150:9
<b>quote</b> 124:2	<b>reach</b> 26:3,4,9	44:16 45:7 46:9	<b>recognizing</b> 84:12
<b>quoted</b> 125:13	72:25 84:4 98:7	46:17 47:5,13	136:6 139:1
<b>quoting</b> 45:18	102:23 120:23	<b>reasonably</b> 23:25	<b>recommends</b> 76:9
88:24	164:7,8	33:16 117:24	<b>reconstructive</b>
<b>r</b>		118:8 141:24	151:8
<b>r</b> 1:21 3:1,16 5:3	<b>reached</b> 13:19	<b>reasoned</b> 127:20	<b>record</b> 12:17 13:1
8:22 12:1 88:17	25:23 43:16 44:24	144:22	15:2 18:25 20:7
88:17 104:17	55:2 60:2 71:16	<b>reasons</b> 94:19	20:12 23:3 24:3,8
167:1	78:19 164:5	138:16	24:10 27:7 37:8
<b>rachael</b> 9:11	165:25	<b>rec</b> 127:4,7	44:13 46:9 47:9
<b>rachel</b> 8:22	<b>reaching</b> 84:11,12	<b>receive</b> 32:1,5	48:2 50:6 54:19
<b>radical</b> 13:11	<b>reactions</b> 153:7	37:18 56:20 67:7	54:21 57:10 58:23
<b>radio</b> 26:17	<b>read</b> 16:20,23	86:14,18 119:4	68:11 70:7,10
<b>rahul</b> 78:15	21:7 43:23 59:6	144:4,8,9,12,13	82:15 87:10 90:25
	81:21 121:9 135:5	166:4	91:18 92:16 95:8

[record - reliable]

Page 41

95:13 98:6,23 102:5 103:16 106:2,6 117:12 119:10 122:21 137:19 138:5 142:15 152:21 156:1,9,17 158:16 164:14 167:4 <b>records</b> 46:15 <b>recover</b> 33:21 57:15 69:8,9,20 80:18 137:18 140:24 141:13 145:11 <b>recoverable</b> 97:16 134:15 <b>recovered</b> 145:8 <b>recoveries</b> 51:14 67:11 104:13 <b>recovering</b> 75:19 <b>recovery</b> 32:14,14 38:24 44:6 45:11 55:14 56:20,24 67:20,21 68:23 72:15 74:8,12,13 75:24 79:1 99:3,7 106:7 130:14,24 139:22 140:1,3,14 140:18,21 143:13 143:16 145:12,14 147:5 149:12 <b>reduced</b> 66:20 <b>reduction</b> 46:3 <b>redundant</b> 64:6 <b>reed</b> 40:17 <b>refer</b> 119:23 120:9 130:4 156:2 <b>reference</b> 109:10 <b>referenced</b> 60:18 <b>references</b> 27:4 <b>referred</b> 20:24 25:11 110:20 111:14 133:9	164:13 <b>refers</b> 111:7 <b>refiled</b> 18:15 <b>refined</b> 22:23 <b>reflect</b> 26:7 46:20 84:18 156:6 <b>reflected</b> 27:7 77:15 99:4 110:24 156:18 <b>reflecting</b> 66:2 <b>reflects</b> 20:10 46:22 54:19 59:15 68:9 72:1 92:16 98:24 105:9 106:25 <b>reform</b> 127:8 <b>refute</b> 123:18 <b>refuted</b> 125:16,19 <b>regard</b> 26:24 29:3 47:2 54:12 57:3 69:23 81:18 97:4 144:2 <b>regarding</b> 12:20 35:13,17 41:19 76:11 127:8 142:14 164:8 <b>regardless</b> 134:18 <b>regime</b> 33:23 68:15 134:10 <b>regimes</b> 54:11 <b>register</b> 45:17 <b>regret</b> 153:16 <b>regulated</b> 152:17 152:20 <b>regulation</b> 153:3 153:3 <b>regulations</b> 26:16 80:14 <b>regulators</b> 152:23 <b>regulatory</b> 33:23 46:4 54:11,17 55:15 153:3	<b>reimbursement</b> 42:15 <b>related</b> 23:15 25:19 27:15 28:10 29:18 36:8 40:25 51:16 57:6 60:19 71:3 81:3,6,9,15 85:10,20 86:1 87:20 91:12 93:17 100:20 103:6 104:8 108:4,16 109:12,20,22 110:22 117:15,16 119:19 121:8 124:9 128:8 133:5 142:13 143:21 146:8 153:6 <b>relates</b> 59:11 <b>relating</b> 37:14 <b>relation</b> 129:16 138:5 <b>relationship</b> 133:16 137:3 <b>relatively</b> 12:7 75:23 103:12 106:18 145:24 <b>release</b> 25:17 27:5 27:14,18 29:16 40:23,24 56:5,22 57:1,16,20 60:7 61:21 66:17 71:1 71:12 72:5,9 76:5 81:16 86:24 108:7 108:17,21 109:1,4 111:10 114:11 115:19 116:5,8,9 116:16,19 117:8 117:11,14,18 118:13,14,17,19 119:12,14 121:12 121:13,19 122:17 123:10 124:5,8 125:6,14 127:23	128:8,10 129:4,6 129:17 131:5,6,13 131:14 132:8,11 133:16,17,17,18 133:20,24 134:12 134:20 135:2 136:17,21,23 137:23 138:7,25 140:3,8,11,16 148:14 151:3 161:15,22 162:13 <b>released</b> 21:5 25:18 32:9,9 34:17 56:6,15 57:14 85:20 100:2 108:15,18,18,24 109:5 117:6,10 129:12 131:12 135:2 139:5,5 141:3,21 145:15 146:19 151:11,17 <b>releasees</b> 136:18 136:19 <b>releases</b> 13:12,14 13:16,22 14:1 17:24 18:14 26:21 27:24 89:18 101:8 108:12,13,20 117:4 121:23 122:22 123:20 125:4,12,25 128:12 131:17 134:7,21 135:13 135:20 136:4,6,13 141:3,8 161:11 <b>releasing</b> 134:22 161:14 <b>relevant</b> 30:19 72:23 100:9 132:20 133:13 134:25 140:7,25 <b>reliable</b> 26:9
---	--	--	---

[reliance - retained]

Page 42

reliance 124:4	repeatedly 129:14	112:10,24 118:6	109:12 117:8
relief 129:25	report 44:12,14	requirements 28:8 69:5 87:2	127:10 142:11,17
130:17 150:3	44:22 45:24 68:7	90:8	143:13 144:18,23
153:24	68:10 73:21 83:25	requires 31:23	144:23 147:11
relies 44:3 125:12	156:3	42:18 45:13 46:5	149:11 155:17
relieve 101:18	reported 95:11	67:25 98:13	156:18 161:12
relieved 72:7	reportedly 126:19	117:22 118:19	respectfully 158:4
107:6	reporters 71:24	130:25 140:17	respectively 51:23
rely 49:21 115:17	reports 79:9	164:9	respects 42:21
156:13	100:5 104:3	res 101:3 112:16	respond 165:9
relying 132:7	represent 15:19	112:22 113:8,24	responders 22:6
remain 40:14	representations 45:20	114:11	response 143:24
162:15	representative 65:21	reservation 36:24	165:7
remaining 20:24	representatives 83:1 93:11 94:6	reservations 106:10	responses 27:8
30:25 35:3 37:23	158:15	reserve 149:13	responsibilities 15:10
38:10 40:13 43:13	represented 23:4	reserved 20:11	responsibility 153:15
70:25 90:1	37:12 50:13 71:5	reserving 40:9	responsible 147:20
remains 113:9	82:22 92:1 93:1	reside 57:12	rest 14:15
remarkable 28:21	105:22 138:14	residual 129:3	rested 104:1
66:10,10 151:7	representing 58:5	resolution 12:21	restitution 49:23
remarkably 86:13	73:17 158:19	19:14 23:20 24:5	50:4 51:1
86:17	request 12:5	24:6 38:5 75:20	restriction 96:24
remarks 127:7	21:18 25:7,16	87:18	result 22:18 24:1
154:18	26:20 33:11 36:22	resolutions 44:23	24:16 28:21 64:12
remedies 161:16	39:7 52:18 54:19	resolve 20:23	65:9,22 69:21
remedy 48:17	54:23 61:8,9	22:12 81:7,9	84:15 97:25 99:9
131:1	106:5 118:1	resolved 18:17,18	104:13,17 114:5
remotely 16:23	119:12 121:4	19:12 20:20 23:19	resulted 43:20
removal 149:1	158:4 159:13,16	23:23 40:19	59:24 66:13 67:15
render 50:19	requesting 129:25	resolves 37:23	83:18
rendered 42:10	159:24	resolving 47:25	resulting 98:22
44:18	require 54:5	116:3	141:19
renders 64:3	69:12 77:17 95:4	resorts 123:1	results 50:19
reorganization 2:6 32:21,23 88:3	134:21 140:16	resources 25:3	99:22,23 151:19
88:16 124:19,22	required 77:20	68:1 115:10	retail 118:23
126:15 135:24	78:9 87:25 102:9	128:16 130:4	retain 32:1,5
136:14,17 137:7,8	154:12	165:8,14,15	144:4,9,15
137:9 141:1	requirement 31:12 36:13 52:9	respect 18:24 24:7	retained 41:3,5,16
reorganizations 128:23	68:21 77:19 79:9	25:12 30:21 31:23	41:18 67:5
repeat 142:20		34:15 41:10 62:11	
		68:4 72:22 87:16	

[retention - satisfy]

Page 43

<b>retention</b>	41:16	<b>rigor</b>	75:3	<b>ruling</b>	2:1 12:5,14 12:16 16:21 18:22 19:2 21:18 24:6 24:14,14,19,23,24 25:6 143:7 145:4 155:10,13,16 156:20,21	100:14,15,16 101:6 105:2 131:5 139:5 141:3,21 152:12 153:4 154:8	
<b>return</b>	141:6	<b>rigorous</b>	107:14	<b>rulings</b>	14:1 24:18	<b>sackler's</b>	133:21
<b>reversed</b>	111:5 162:18	<b>ringer</b>	9:11	<b>run</b>	82:12 94:24 103:20	<b>sacklers</b>	15:14,21 25:19 27:15 40:24 42:24 48:2 51:16 56:14 57:5,14
<b>reversing</b>	121:6	<b>risk</b>	94:24 103:17 106:3 147:25	<b>running</b>	100:8 101:21	<b>62:11,14 66:16</b>	<b>66:16</b>
<b>review</b>	30:19 36:9 43:20 45:16 46:24 47:13 49:19	<b>risks</b>	84:11 85:5 88:11 142:7 146:13 147:13,13	<b>runs</b>	162:9	<b>71:3,19 74:1 77:6</b>	<b>77:6</b>
<b>reviewed</b>	51:7 155:9		147:23 148:2 153:9	<b>robert</b>	1:22 5:24 7:24 8:1	<b>82:4,7,11,12 83:8</b>	<b>83:8</b>
<b>reviewing</b>	89:17	<b>road</b>	167:21	<b>robertson</b>	9:12	<b>83:17 84:5 85:10</b>	<b>85:10</b>
<b>reviews</b>	102:10,11	<b>roadmap</b>	94:25 95:1	<b>robins</b>	122:10	<b>85:13,14,16,19</b>	<b>86:1,2 87:9,16,23</b>
<b>revised</b>	12:11 108:19	<b>robinson</b>	8:20	<b>ryan</b>	9:19 10:9 11:2	<b>90:16 92:4 95:13</b>	<b>95:19,22 96:2,6</b>
<b>rewards</b>	84:11 85:6	<b>role</b>	21:24 34:19 75:9 77:6 100:20 153:6	<b>s</b>		<b>98:8 100:2,8</b>	<b>98:8</b>
<b>ricarte</b>	9:9	<b>room</b>	1:13	<b>s</b>	3:1,9 6:10,14 7:2 7:12 8:2 9:15 11:12 12:1 28:8 48:21 52:8 117:3 122:10 125:13	<b>101:4,13,18,21,24</b>	<b>101:4,13,18,21,24</b>
<b>rice</b>	9:10	<b>ropes</b>	121:25	<b>s.a.</b>	64:18	<b>103:3,17,19,21,22</b>	<b>103:3,17,19,21,22</b>
<b>richard</b>	10:1,3 92:5	<b>rosen</b>	9:13	<b>s.a.r.l.</b>	116:23 120:18	<b>104:10 106:11,17</b>	<b>104:10 106:11,17</b>
<b>ride</b>	107:3	<b>rosenbaum</b>	9:14	<b>s.d.</b>	140:5	<b>107:3 109:2 135:6</b>	<b>107:3 109:2 135:6</b>
<b>right</b>	13:24 17:5 20:21 21:14 25:15 49:13 53:12 72:11 78:3 109:18 119:7 123:17 130:23 160:6,12 163:8	<b>rothstein</b>	9:15	<b>s.d.n.y.</b>	30:15 53:16,18 59:17,20 65:3,4,5,7,12 68:24,25 69:14 88:23 90:19 97:18 97:19 132:1	<b>138:17 139:12</b>	<b>138:17 139:12</b>
<b>rights</b>	15:24 21:5 21:7,8 34:20 35:14 36:1,6,8,16 36:24,25 38:13 39:4,5,13 40:3,4,9 43:5 49:23 50:3,4 50:11 51:1 57:13 57:13 58:20,24 59:18 62:15,24 68:5 87:19 102:25 110:5,7 112:20 113:1 114:12,12 140:23 144:15,22 144:25 147:4 150:18 154:1	<b>roughly</b>	23:1 25:23 29:2 38:16 38:18 71:7 74:3 103:12 146:24	<b>s.r.l.</b>	120:20	<b>sacklers'</b>	<b>81:24</b>
		<b>roxana</b>	4:16	<b>s14461</b>	127:8	<b>82:5,5,10,10</b>	<b>82:5,5,10,10</b>
		<b>rubinstein</b>	9:16	<b>s14461-01</b>	127:7	<b>sacred</b>	<b>14:10</b>
		<b>rubric</b>	143:16	<b>sabine</b>	44:1	<b>safe</b>	<b>80:16</b>
		<b>rule</b>	17:10,12 20:18 43:21 49:15 52:20 58:13 92:5 117:4 118:19 126:11,12 145:3 157:20	<b>sackler</b>	13:12 15:1 21:17 23:12 56:6 56:15,23 66:17 71:10 79:1 81:2 84:14,20 87:8 91:12 92:8 96:16	<b>safety</b>	<b>80:16</b>
		<b>ruled</b>	163:24			<b>sale</b>	<b>76:15 77:9</b>
		<b>rules</b>	37:21 128:13			<b>salience</b>	<b>112:18</b>
						<b>salwen</b>	<b>9:20</b>
						<b>samuel</b>	<b>7:3</b>
						<b>sara</b>	<b>4:24 10:19</b>
						<b>satisfied</b>	<b>30:12,13</b>
							<b>31:6,21 119:12</b>
						<b>satisfy</b>	<b>23:14</b>
							<b>32:17 33:1 65:15</b>
							<b>69:5 143:23</b>

<b>saval</b>	9:21	110:8,13,25 119:8	<b>secured</b>	59:2 62:8	<b>send</b>	104:21	
<b>saving</b>	165:16	122:3 123:18	<b>securities</b>	31:14	<b>sending</b>	17:2	
<b>saying</b>	16:6 19:19	128:8 129:13		97:16,18 130:20		151:12	
	84:17	135:14 138:4	<b>security</b>	40:10	<b>senior</b>	142:6	
<b>says</b>	17:12 20:7	149:5 158:1,10	<b>see</b>	12:24 16:8	<b>sense</b>	22:8 30:8	
	53:25 61:23 82:8	161:6 162:4		38:11,12 39:21		82:4 165:21	
	123:11	<b>secondarily</b>		40:10 43:9,24	<b>sent</b>	27:4 117:24	
<b>scattered</b>	96:9	133:13		44:9 45:1 49:3	<b>sentence</b>	52:14	
<b>scenario</b>	99:14	<b>secondary</b>	130:18	52:25 53:14 55:4	<b>sentencing</b>	49:11	
	141:16,20	<b>secondly</b>	94:11	55:8,10 59:13,19		164:18	
<b>scenarios</b>	99:7	<b>seconds</b>	155:20	63:21,23 64:6,18	<b>separate</b>	29:11	
<b>schedule</b>	164:6	<b>secret</b>	80:8	65:2,11 68:23		36:2 39:6 40:25	
	166:1	<b>section</b>	20:13 28:6	69:15 70:7 79:11		53:8,11 55:17,24	
<b>scheduled</b>	12:4		28:8,10 29:15	84:3 88:16 89:21		70:3 90:22 100:9	
<b>scheduling</b>	164:8		30:6,11,17,22,24	90:17 92:19 97:16		133:19 134:14	
<b>scheme</b>	55:3		30:25 31:7,11,22	105:11,14 109:24	<b>separately</b>	29:7	
	89:25 90:3,7		32:17 33:1 39:20	113:18 114:24		29:19 41:18 53:14	
	114:22 139:2		39:20 41:1,14,18	115:3 116:13,22		54:9,16 55:13	
<b>schemes</b>	55:15		42:5,17,17 43:7	116:25 118:4,21		60:7 62:3 82:6	
<b>schinfeld</b>	9:22		43:19,22 44:17,19	120:9 122:24		143:18	
<b>schlecker</b>	9:23		44:21 45:12 47:10	124:14 128:5	<b>separation</b>	62:25	
<b>schmidt</b>	9:24		50:9 52:8,19 53:6	129:8 130:1,19	<b>september</b>	1:16	
<b>scholars</b>	134:6		53:19,20,22,23,25	131:19 132:25		150:13 163:11	
<b>school</b>	46:18,22		54:1 57:22 58:17	134:8 140:4 150:7		167:25	
	72:16		59:6,10 60:16	150:18,22 158:17	<b>serious</b>	84:2	
<b>schools</b>	42:2		61:23 63:2,13	165:13		153:23	
<b>scope</b>	13:16,18		64:4 69:6,12	<b>seek</b>	35:12,16,24	<b>serve</b>	18:11 66:18
	17:23 109:19		70:24 96:24 97:3			78:7 101:3 103:1	
	149:3		103:2 109:9		<b>served</b>	25:10 96:6	
<b>scores</b>	96:5		110:18,20,20		<b>services</b>	31:15	
<b>scott</b>	3:8 6:8		114:16,19 115:9	<b>seeking</b>	58:16	42:10,13,14 43:8	
<b>sdny</b>	43:25 44:1,5		123:9,11,12 124:4			43:8 44:18 102:1	
	44:10 45:17		125:4,13,23 126:5	<b>seeks</b>	43:9 113:6	<b>session</b>	150:13
	115:18 120:19		126:8,10 127:11	<b>seen</b>	46:15 90:24	<b>set</b>	13:19 21:25
	144:19,20 149:7		128:7,18,25 132:6				25:8 27:5 33:2
<b>se</b>	71:4 79:19		135:18,19 139:1	<b>sees</b>	133:4		35:5 38:19 39:14
	80:25 81:20		143:23,25 144:2	<b>selected</b>	14:6		44:19,21 45:11
<b>sean</b>	114:25		144:17 148:20,25	<b>self</b>	63:23 97:20		47:3 73:21 75:25
<b>seaside</b>	122:18		149:2 150:3,9				77:22 78:11 84:3
<b>second</b>	14:2 49:6		154:2 161:20		<b>sell</b>	22:9 76:8	85:7 96:3 110:6
	50:16 51:3 64:16		162:3,7		<b>senator</b>	127:6,9	126:2 141:14
	94:8,8 99:5		<b>sections</b>		<b>senator's</b>	127:10	157:15
	105:20 107:1		31:4				
			39:11 134:4				

[seth - solely]

Page 45

seth 9:22	164:17	she's 84:10	153:12
sets 41:14 46:8	<b>settlement's</b> 89:23	<b>shipping</b> 65:4	<b>similarly</b> 52:10
79:5	<b>settlements</b> 20:17	<b>shira</b> 11:5	133:8 148:25
<b>setting</b> 29:16	34:23 43:19 47:23	<b>shore</b> 10:1,2	151:13
75:16,20 87:3	48:3 85:10 86:3,3	<b>short</b> 145:24	<b>simmonds</b> 10:4
<b>settle</b> 137:18	86:4,23 87:8,10	<b>shortly</b> 32:24	<b>simple</b> 27:13
<b>settled</b> 47:24	87:23 88:1,14	<b>show</b> 31:6 39:24	90:14 96:2 117:18
62:13 82:24 86:21	89:2 98:22 99:20	42:18 46:5 47:9	<b>simply</b> 19:1 36:4
88:10 97:21 104:9	103:5 104:14,25	55:25 74:23 84:17	57:25 71:21 80:12
<b>settlement</b> 15:1	106:18 123:23	147:21	82:9 93:4 95:6
16:11 19:1 21:17	138:20 146:1	<b>showed</b> 145:24	108:22 119:23
35:17,21 38:22	<b>settles</b> 85:25	<b>showing</b> 30:13	<b>singer</b> 10:5,6
40:23 41:18 44:8	<b>settling</b> 20:14	31:23 33:3 67:6	<b>singular</b> 127:1
49:8,14 50:2,5,12	81:17 108:9,14	<b>shown</b> 148:4	<b>sister</b> 113:14
50:23,25 55:2	<b>seven</b> 164:20	151:14	<b>sisters</b> 151:22
56:12,23 62:9,17	<b>seventh</b> 137:21	<b>shows</b> 56:19 63:15	<b>situated</b> 36:18
71:2 74:3,12,19	<b>shadow</b> 17:20	79:4 156:16	52:10
81:2,5,7,8,14,15	<b>shannon</b> 8:7	<b>shumate</b> 96:23	<b>situations</b> 45:1
81:24 82:7 83:20	<b>shape</b> 107:3	<b>side</b> 15:18 29:1	<b>six</b> 24:10 155:16
84:11,12,14,15,18	<b>share</b> 63:8 141:15	60:9 83:9 96:4	155:22 166:4
85:6,11,17,22,24	146:23	100:17,17 105:23	<b>sixth</b> 55:8 125:17
86:6,10 87:3,11	<b>shareholder</b> 32:9	106:23 154:7	136:25
87:12 88:8,19,21	34:17 40:24 56:6	156:2,4,6,7,7,15	<b>size</b> 24:25 104:23
89:5,8,12,14,17	56:11 66:17 81:3	156:16,24	<b>skapof</b> 10:7
89:20 90:2,2,11	81:5 85:20 106:15	<b>sides</b> 96:4,5	<b>skeptical</b> 141:16
90:14,20 92:1	108:9,14 109:4	100:13,14 162:24	<b>skorostensky</b> 10:8
93:1,19,20,21	114:10 117:11	<b>sign</b> 91:6 104:2	<b>slash</b> 134:1
94:5,11,16,19,22	119:15 121:13	116:13	<b>slaugh</b> 10:9
95:3,4,6,12,23,23	131:5 134:21	<b>significant</b> 44:18	<b>slightly</b> 60:14
96:1 98:8,15,17	135:1,10 139:5	156:8	<b>small</b> 19:7 66:4
98:24 99:10,23,25	141:3 146:19	<b>significantly</b>	70:4 103:11
100:3,23 101:25	161:9,11,12,13,14	28:18 95:21	124:23 157:24
103:4 105:6,19,22	161:22 162:13	<b>silbert</b> 10:3	161:24
106:1,9,24 107:1	<b>shareholders</b>	<b>silence</b> 58:15	<b>smaller</b> 25:24
107:10,15,17,21	23:11 27:15 82:2	<b>silenced</b> 56:1	67:17 68:5 70:2
108:3,15 116:21	103:21 117:15	58:10	<b>smith</b> 40:17
116:21 119:16	139:8 142:13,20	<b>similar</b> 45:1 53:11	<b>snapback</b> 161:8
125:14,22 135:22	148:10 161:6	54:4,5,7 59:9,15	161:10,19
140:20 143:10	<b>shares</b> 82:2	59:17,18 62:4	<b>social</b> 26:8
145:7,20 146:2	<b>shaw</b> 4:8	78:8 123:24	<b>sole</b> 38:16
147:8,15 152:10	<b>she'll</b> 165:20	126:19 127:6	<b>solely</b> 23:1 93:21
153:10,11,21,22	<b>shepherd</b> 9:25	136:9 137:1	102:14
161:7,9,18 164:16		141:25 146:5	

## [solicit - stay]

Page 46

<b>solicit</b> 159:6	<b>specialty</b> 35:6	125:2	72:16 73:6,16
<b>soliciting</b> 159:14	<b>specific</b> 62:14	<b>start</b> 43:1 65:16	75:10,22 77:2
<b>solution</b> 22:17	64:5 67:10 73:3	76:22 77:1,3,5,8	78:18 80:2 82:23
<b>solutions</b> 22:24	123:22 127:10	82:13,19,24 83:4	82:23 83:11,21
133:9 167:20	136:14 137:19	162:12 164:24	84:4,9,13,21
<b>solvency</b> 103:7	140:18 150:3	<b>state</b> 3:19 20:12	86:11 91:5,5 93:2
<b>somebody</b> 17:14	<b>specifically</b> 44:6	23:5 41:12 58:5,6	93:3,12,25 94:1
<b>somewhat</b> 111:13	56:12 125:24	58:20 63:5 65:21	94:17,17 96:11,24
136:9 153:12	159:6	66:9 67:6,14 68:1	97:4 99:14,16,17
<b>sonya</b> 2:25 167:3	<b>specter</b> 113:23	69:1,11 78:6,9,18	101:8,16,16,25
167:8	<b>spectrum</b> 80:21	83:1,21 84:22	106:19 115:10
<b>soon</b> 25:4 77:3	<b>speculative</b>	93:5 100:15 112:7	127:9 128:8,16
162:8	145:16,17	112:13 117:5	135:6,9 139:21
<b>sophisticated</b>	<b>spendthrift</b> 96:16	136:2 147:9 148:7	142:6 146:5,7,16
37:13	96:21 97:15,21	151:9,22 152:18	146:19,20,21,23
<b>sorkin</b> 10:10	104:20,21 107:19	153:8	146:25 147:11,15
<b>sorry</b> 53:22	142:25 156:10,25	<b>state's</b> 148:4	147:25 148:13,19
124:13 160:7	<b>spent</b> 46:16 130:3	<b>stated</b> 44:22 48:20	149:25 150:6,18
162:21	<b>spnwy</b> 63:24	52:14 58:23 71:9	150:25 151:1,4,9
<b>sort</b> 13:22 19:11	<b>spoken</b> 158:8	72:16 113:5 133:2	151:15,18,24
19:16	159:15	138:17 145:14	152:6,15 153:25
<b>sorts</b> 132:2	<b>spread</b> 27:22	148:1	156:8 158:11,15
<b>sought</b> 37:17 38:1	<b>springer</b> 10:11	<b>statement</b> 2:4	158:24 159:2,4
43:13,14 130:17	<b>spv</b> 109:24 110:6	20:7,23 30:7	160:24 163:20,25
153:24	<b>square</b> 99:1	47:15,16 52:18	<b>stating</b> 113:21
<b>sounds</b> 15:15	<b>st</b> 92:19	81:6 92:24 121:2	126:10 153:16
<b>source</b> 111:9	<b>stacey</b> 48:6	<b>statements</b> 20:10	<b>statue</b> 161:22
121:18 127:25	<b>stacy</b> 5:13	103:16	<b>status</b> 21:16
134:3	<b>stage</b> 105:17	<b>states</b> 1:1,11 4:1,9	<b>statute</b> 50:25
<b>sources</b> 140:13,18	<b>stake</b> 48:24	15:20 22:6,7 23:6	162:12
140:19 145:14	<b>stakeholders</b> 18:3	25:24 27:3 29:21	<b>statutes</b> 102:22
<b>southern</b> 1:2	18:10	31:1,9,12 32:19	155:17
<b>southwestern</b>	<b>stand</b> 18:12	40:22 53:20 57:18	<b>statutory</b> 37:21
45:18	<b>standahl</b> 153:19	58:2,8,11,12,15	121:18 123:19
<b>sovereignty</b>	<b>standard</b> 16:24	58:22 59:1,5,25	127:2,15,21,25
148:15	77:22 91:6 134:19	59:25 60:8,10,12	134:9 143:24
<b>speak</b> 155:15	136:10 137:21	60:12,17,23 61:19	<b>stay</b> 17:11,12,13
158:25	140:12	61:20 62:12,13,16	17:14,14 91:15
<b>speaking</b> 23:1	<b>standards</b> 64:13	62:16 65:23 66:2	110:10 124:18,21
103:12	65:10 68:20	66:4,4,5,11,21	124:22 148:21
<b>speaks</b> 158:23	106:25 135:12,13	67:11,17,19,22,23	150:2,14 158:7
<b>special</b> 15:8 92:6	<b>standing</b> 18:16	68:5,7,9,13 69:7	160:19 162:1,9
126:12	48:14,22 104:6	70:1,4,4,16,18	163:25

[stayed - taken]

Page 47

<b>stayed</b>	148:23 157:21	109:3 112:6 115:14 124:12	70:7 73:1 75:3 87:22 118:12,20	137:20 158:9
<b>stays</b>	16:22 17:9 17:13	132:17 133:7,23 134:16 150:3	134:2 136:8 151:10	<b>supported</b> 50:5 84:22 136:8
<b>steadfast</b>	35:8	151:15 161:19	<b>sufficiently</b> 33:9	<b>supporting</b> 89:16 91:25 99:25
<b>steege</b>	10:12	<b>subjected</b> 96:12	96:12 134:13	<b>supports</b> 75:11 94:4 121:22
<b>steel</b>	10:13	<b>subjective</b> 149:15	<b>suggest</b> 80:7,7,24	<b>suppose</b> 153:9
<b>stems</b>	112:3	<b>subjects</b> 69:4	103:17	<b>supreme</b> 48:20 106:25 109:16
<b>step</b>	76:18	<b>submission</b>	<b>suggested</b> 27:3 80:10 146:5	114:16
<b>stephanie</b>	5:19	100:13	<b>suggesting</b> 18:4	<b>sure</b> 108:1 156:17 162:6 163:22
<b>stephen</b>	9:1	<b>submissions</b>	81:25	<b>surely</b> 113:24
<b>sterns</b>	43:25	100:14	<b>suggestion</b> 32:16	<b>surprise</b> 160:22 160:23
<b>stew</b>	80:8	<b>submit</b> 163:5,13	49:25 52:13 55:17	<b>surrounding</b> 64:24
<b>stipulated</b>	162:22	<b>subsection</b> 54:1	159:3	<b>surveying</b> 122:18
<b>stockholders</b>	88:17	123:11 150:13	<b>suggests</b> 46:24	<b>survival</b> 34:11
<b>stodola</b>	10:14	<b>subsequent</b> 16:14	71:19 97:25	<b>swingle</b> 10:15
<b>stonebridge</b>	113:18	89:6	109:20	<b>switch</b> 149:6
<b>stop</b>	19:5	<b>substances</b> 131:22	<b>suisse</b> 124:14	<b>sympathetic</b> 73:8 73:15
<b>street</b>	1:13 4:3,10	131:23 150:23	<b>suit</b> 113:6,21	<b>sympathy</b> 101:5
<b>strengths</b>	94:25 105:9,24 146:12	<b>substantial</b> 42:19	114:1 137:3,4	<b>systems</b> 149:14
<b>stricken</b>	155:4	78:14 85:14 97:11	<b>suite</b> 4:3 142:4	<b>t</b>
<b>strong</b>	17:17 78:21 83:1 130:23	98:17 107:8	167:22	<b>t</b> 6:13 9:18 104:17 104:17 167:1,1
<b>strongest</b>	142:4	135:21 137:6	<b>suits</b> 114:4,7	<b>table</b> 154:7
<b>strongly</b>	75:11,14 76:13 88:4 97:25	139:6,7,12,15	137:10	<b>tailored</b> 26:3
<b>structure</b>	98:24	140:25 147:23	<b>sullivan</b> 3:11	<b>tails</b> 94:2
<b>structures</b>	87:3 101:20 143:6,8	148:1 156:5	<b>summarize</b> 19:21	<b>take</b> 14:20 27:6
<b>studies</b>	14:5	<b>substantially</b>	<b>super</b> 29:14 62:18	36:3 47:2 54:21
<b>sub</b>	26:9	13:18 47:24 54:4	86:25 126:3	68:5 70:18 72:22
<b>subdivisions</b>	111:5	54:5,7 59:9,15,18	<b>supermajority</b>	78:8,11 79:6
	41:21 57:24 58:9 58:12,19,25 68:10	66:20 67:17,18	60:15 139:1	98:13,20 149:22
	77:2	68:15 98:7 108:13	<b>superpriority</b>	155:19 162:1
<b>subject</b>	22:18 27:9 31:18 36:2 43:20	137:15 139:18	99:15	165:19,23
	53:3,3,23 76:17	<b>substantive</b> 16:10	<b>supervision</b> 25:23	<b>taken</b> 58:18 68:3
	78:13 86:8 102:9	69:19	<b>supplemental</b>	91:1 95:17 104:1
		<b>success</b> 89:3	25:10	106:12 124:9
		136:17	<b>supplied</b> 138:21	144:1 148:11
		<b>successful</b> 75:20	<b>support</b> 15:16	
		83:16 84:8,10	47:16 62:25 75:8	
		<b>successor</b> 32:21	75:15 84:17,17	
		<b>sue</b> 161:14	89:12,13 93:19,20	
		<b>suffering</b> 26:13	93:23 94:15,19	
		<b>sufficient</b> 24:3	111:10 136:15	
		27:25 37:9 69:5		

[takes - title]

Page 48

<b>takes</b>	42:17 79:14 98:12 105:7	132:15 137:1 143:23	71:14 80:10 95:11 95:20 156:1 157:1	141:20,23 142:9 142:21 143:2,13	
<b>talk</b>	166:1	<b>testified</b>	48:10 72:19 103:23	143:14,17 144:15 144:24 145:9	
<b>talking</b>	19:5 26:18 93:21 131:12,13 147:4 166:5		119:5 143:7 153:5 <b>testimony</b>	144:8 147:4 148:14 152:6	
<b>tangible</b>	151:4		19:8 25:9,11,14,21	155:2	
<b>tapley</b>	10:16		28:12 44:13 65:20	<b>thomas</b>	8:20
<b>target</b>	106:21		65:24 67:1,2,12	<b>thorough</b>	149:5
<b>targets</b>	106:18		78:14,23 79:4	<b>thoroughly</b>	92:12 128:3
<b>task</b>	81:12		87:10 96:7 100:7	<b>thought</b>	17:1 77:25 80:20
<b>taxes</b>	101:15,17 101:21		100:16,19 101:19 103:19 118:12	<b>thoughtful</b>	165:6
<b>taxpayer</b>	165:14		146:6,10,11	<b>thoughtfully</b>	165:1
<b>teamsters</b>	92:21		147:22 156:3	<b>three</b>	13:12,21 48:12 96:7 122:21
<b>technical</b>	15:15	<b>texas</b>	67:20	123:7,8 125:9 153:15 159:25	
<b>technologies</b>	113:18	<b>thank</b>	12:23 19:24 21:1,11 155:14	<b>threshold</b>	60:15
<b>tele</b>	1:12		157:1 159:10	<b>throw</b>	74:9
<b>telecom</b>	64:18		161:5 163:18,23	<b>thurmond</b>	10:17
<b>telephonically</b>	3:8 3:9,16,23 4:6,13 4:15		166:10	<b>tie</b>	74:6
<b>tell</b>	165:19	<b>thanks</b>	158:22 166:10	<b>tied</b>	56:25
<b>temporarily</b>	61:5		111:10,17 111:1	<b>time</b>	15:2,14 17:15 42:12 46:15
<b>temporary</b>	52:21 91:15 124:18,21	<b>theme</b>	113:17,21 114:1,4	46:16 51:2 79:7,7 87:22 96:7 114:20	
<b>ten</b>	19:11	<b>theodore</b>	114:4,10 115:19	114:23 117:17	
<b>tenth</b>	12:8 124:16 125:2,11	<b>theories</b>	116:9,16 117:5,11	114:23 117:17	
<b>term</b>	41:3 58:1 76:11,11 129:16 129:20,23 137:24 154:16	<b>theory</b>	117:14 118:16	130:3 160:6,15 162:19 165:21	
<b>terms</b>	63:21 72:25 139:7 153:16	<b>they're</b>	101:9 125:12	<b>timely</b>	48:13,18
<b>territorial</b>	96:10		78:4,5 79:19	<b>times</b>	16:2 18:1 26:16 64:23
<b>territories</b>	22:7 60:12 83:11 146:21,25	<b>thing</b>	78:3 82:7 151:3 155:20	<b>timothy</b>	6:23
<b>test</b>	31:22 32:14 32:18 33:1 34:13 79:21 113:12,13		165:4 <b>things</b>	<b>tiny</b>	58:2
			14:6,7,8 15:13 16:8 18:17	<b>title</b>	31:2 32:6 42:15 53:23
			19:18 69:21 76:22		109:23 110:21,22
			87:6 105:3 160:11		110:23 129:2
			165:18 166:3		144:10
		<b>think</b>	13:3 14:10 16:21 17:5,19		
			18:19 19:5,6,16		
			19:22 20:19 21:14		
			25:1 33:8 39:24		

<b>tmt</b>	88:17,24,25	142:2 143:2,3	<b>trillions</b>	100:22	<b>tsier</b>	10:20
<b>tobak</b>	10:18	154:22	<b>tronox</b>	130:21,22	<b>tulsa</b>	123:5
<b>today</b>	95:14	<b>transferring</b>	<b>troop</b>	4:13 158:20	<b>turn</b>	18:20 19:20
	105:24 117:19	95:19		158:23 159:1,1,11		85:8 106:5 129:11
	157:15 158:11	<b>transfers</b>	<b>true</b>	27:6 81:6	<b>turned</b>	45:15 84:6
<b>tolerated</b>	136:4	92:8,13		130:4 146:10		149:15
<b>toll</b>	161:21	100:6,10 101:13		167:4	<b>turner</b>	10:21
<b>tolling</b>	162:3,7,11	101:14 103:12	<b>truesdell</b>	90:18	<b>turns</b>	118:8
	162:15	<b>transparency</b>	<b>truly</b>	91:3 108:21	<b>tv</b>	26:16
<b>tolls</b>	162:12	92:25 152:16		134:12 138:6	<b>twice</b>	165:25
<b>tomorrow</b>	163:10	<b>transunion</b>		147:18,18 154:15	<b>two</b>	13:16 24:11
	163:14,15	48:21	<b>trust</b>	26:23,25		29:7 41:7 42:21
<b>tonight</b>	163:8	<b>travelers</b>		27:1 32:10 35:15		46:8 63:10 73:5
	164:7	111:5		36:6,16,25 39:13		80:9 82:23 83:14
<b>tonnesen</b>	10:19	112:19		40:5 55:16 63:9		85:9 87:17 90:22
<b>tooth</b>	84:15	<b>treasuries</b>	<b>treated</b>	63:12 67:16 68:13		96:4 98:12 100:17
<b>top</b>	147:5	61:14	51:20	74:22 75:1 96:19		100:17 105:16
<b>topic</b>	121:14	66:21	<b>treatment</b>	96:21,25 97:15		116:17 119:22
	129:12	61:20 62:8 68:14	33:8	98:3 118:2 120:11		140:13 144:18
<b>tort</b>	45:1 52:24	113:6	35:18 41:14 50:8	122:24 123:4		155:12,17 157:4
<b>total</b>	15:11		50:22 52:21 55:21	126:1,13,17		157:10 159:25
<b>totality</b>	64:9,23		61:24 62:1,16,24	142:25 143:6,6,10		160:11 165:12
<b>touchstone</b>	113:9		68:12,20,21 70:22	156:5,11	<b>type</b>	73:8,9 93:14
<b>toxic</b>	131:21,23		90:6,9 112:4			119:4 120:24
	150:22		144:3	<b>trustee</b>	131:4 133:16	
<b>tracing</b>	95:16		<b>tremendous</b>	4:2 16:17	<b>types</b>	26:5 37:7
<b>trade</b>	90:14		155:15	18:4 27:3 29:21		51:17 55:14 62:7
<b>trading</b>	65:5		<b>trieable</b>	31:9 40:22 42:3		106:16 129:11
<b>traditional</b>	126:23		102:18	42:20 43:12 44:3		130:16 131:11
<b>traditionally</b>			<b>trial</b>	45:21 47:6 98:10		142:16 145:21
	120:6 128:15		19:8 23:25	142:5 163:20,25	<b>typical</b>	153:7
<b>trailblazing</b>	23:8		24:10 93:15 98:20	<b>trustee's</b>	142:16 145:21	
<b>trailer</b>	88:17,24		100:4 103:18	47:17,21	<b>typos</b>	24:22
	88:25		142:14 147:21	94:3		
<b>transcribed</b>	2:25		<b>tribal</b>	<b>trustees</b>	<b>u</b>	
<b>transcript</b>	24:19		41:20	36:24		
	24:24 167:4		<b>tribes</b>	92:21 143:10	<b>u.s.</b>	1:23 4:2 16:17
<b>transfer</b>	35:14		22:6 33:24			18:4 26:19 33:24
	36:5,15 39:12		41:21 51:22 52:3			33:25 42:3,20
	96:25 97:12,14		54:10 55:22 83:2			43:12 44:3 45:21
	98:2 100:19		86:12			47:6,17,21 51:22
	101:10 102:22		<b>tribune</b>	97:5,10,21,21,22		54:9,16 55:6,21
	103:15 108:5		59:13	104:20,22 107:19		56:15 57:6,8 62:7
			<b>tried</b>	155:25 156:14,15		62:7 83:24 88:18
			13:25	156:25		88:24 94:2 96:12
			<b>trigger</b>	<b>try</b>		96:12,23 97:9,14
			161:10	17:8 146:7		
			<b>trillion</b>	<b>trying</b>		
			38:16,17	80:18		
			146:23	165:4		

[u.s. - value]

Page 50

97:20 98:1,10 102:1 104:22 109:18 111:6 114:17 115:10 118:3,25 120:11 120:20 128:14,17 131:24 143:1 149:14 150:23 <b>u.s.c.</b> 96:23 109:9 109:11 110:20 112:3 114:16 115:9 120:4 148:25 <b>ubs</b> 109:25 <b>ucc</b> 14:21 158:8 <b>ultimate</b> 45:7 99:2 104:7 <b>ultimately</b> 16:4 43:5 47:5 60:5 103:25 117:21 138:12 <b>unable</b> 164:8 <b>unanimous</b> 39:25 59:24 <b>unanswered</b> 47:20 <b>unassailable</b> 65:24 <b>unasserted</b> 38:19 <b>uncontested</b> 30:18,21,22 33:2 45:20 56:18 <b>uncontroverted</b> 74:25 92:4 95:13 98:16 157:2 <b>undercut</b> 143:11 <b>undercuts</b> 124:11 <b>underlies</b> 23:9 <b>underlying</b> 37:4 66:3 84:18 105:9 <b>underpin</b> 133:16 <b>understand</b> 12:19 18:14,16 21:3	25:2 72:2 159:18 159:20 160:3 161:1 165:4 <b>understandable</b> 71:14 85:2 153:9 <b>understandably</b> 141:5 <b>understanding</b> 21:10 33:13 128:19 <b>understood</b> 165:24 <b>undertaken</b> 98:9 98:10 105:21 <b>underwood</b> 10:22 <b>undisputed</b> 25:21 <b>undoubtedly</b> 139:15 <b>unduly</b> 33:19 60:8 73:9 <b>unequally</b> 61:20 <b>unfair</b> 52:9 63:1 63:12 72:13 81:3 <b>unfairly</b> 52:2 <b>unfathomable</b> 91:22 <b>unfortunate</b> 129:22 <b>union</b> 35:9 <b>unique</b> 22:11,19 23:7 27:2 102:25 136:5 138:6,9,9 161:7 <b>unit</b> 149:18 <b>united</b> 1:1,11 4:1 22:7 23:6 25:24 27:3 29:21 31:9 40:22 43:9 61:20 62:13,15,16 73:6 94:1 96:11 97:4 99:14,17 115:10 128:16 139:21 142:6 147:10	150:6 156:8 163:20,24 <b>universally</b> 25:2 60:9 113:14 <b>unlawful</b> 102:16 126:8 148:11 <b>unliquidated</b> 38:19 52:23 53:3 146:22 <b>unmistakably</b> 90:21 <b>unnecessary</b> 45:16 165:1 <b>unopposed</b> 97:24 <b>unprecedented</b> 28:14 <b>unprecedentedly</b> 25:19 27:25 28:24 <b>unr</b> 126:16 <b>unravel</b> 87:23 138:20 141:8 <b>unraveling</b> 98:22 99:10 <b>unravelling</b> 104:14 <b>unrebutted</b> 78:14 <b>unrefuted</b> 44:13 78:23 90:25 141:14 <b>unrelated</b> 34:18 <b>unsecured</b> 14:24 15:4 41:5 43:3 51:20 57:11 58:25 59:3 62:10,20 75:7 76:23 82:20 83:11 84:23 91:3 93:24 99:8 122:25 138:1 141:12 <b>unusual</b> 22:1 <b>unwind</b> 161:12 <b>updated</b> 2:9 21:16 <b>updates</b> 13:3 19:4 19:9,16	<b>usa</b> 35:10 113:19 <b>use</b> 21:21 26:14 60:24 66:21 71:25 79:10,24 80:16,18 86:13,17,19 129:16,20 151:5 <b>usually</b> 94:19 137:3 <b>utterly</b> 83:12 <b>v</b> <b>v</b> 15:18 40:10 48:21 49:3 55:8 63:24 64:19 88:17 90:18 92:20,22 96:23 97:17 109:16,25 110:1 111:5 112:8 114:17 115:5,10 115:21 116:23 118:2,4,24 119:1 120:11,14,18,19 121:2,25 122:1,8 122:24 123:2,4,25 124:14 125:20 128:14,16 129:8 130:1,19,21 131:23,25 132:25 140:5 148:6,7 150:6,23 <b>va</b> 118:24 <b>vacated</b> 115:4 162:17 <b>vacuum</b> 104:6 105:6 <b>valid</b> 56:16 96:21 151:12 <b>validity</b> 151:7 <b>valle</b> 11:14 <b>valuable</b> 137:25 165:19 <b>valuation</b> 73:3 <b>value</b> 32:3 38:7 39:3 42:13 52:1,2
---	--	--	--

[value - william]

Page 51

		<b>w</b>	
60:10 66:15 75:18 78:25 79:24 83:6 86:10,14,18 99:2 142:8 144:6 146:7 161:1 <b>van</b> 10:23 <b>varick</b> 4:3 <b>varied</b> 153:8 <b>varies</b> 90:2 <b>various</b> 13:7 26:5 38:11 65:23 78:21 92:8 97:13 102:21 104:2 115:25 130:8 145:19 156:15 <b>vary</b> 90:7 135:14 <b>vast</b> 39:24 53:2 104:23,24 <b>veil</b> 92:14 100:11 142:18 <b>venditto</b> 10:24 <b>veritext</b> 167:20 <b>version</b> 12:6 110:11 <b>versus</b> 85:6 89:4 <b>vetting</b> 92:11 <b>victims</b> 15:20 25:4 39:3 41:25 49:22 50:11 73:11,15 76:24,25 153:13 <b>video</b> 1:12 <b>videoconference</b> 2:1 <b>view</b> 33:19 58:5 64:8,23 70:11 75:18 87:12 117:12 123:9,18 125:15 133:12 138:13 140:11 <b>viewed</b> 71:7 76:10 83:8 <b>views</b> 17:17 47:4 78:21 79:14 100:1		<b>wealth</b> 96:16 139:12 <b>wealthy</b> 72:16 <b>weber</b> 11:3 <b>wednesday</b> 13:6 <b>week</b> 20:5 159:25 <b>weekend</b> 20:4 <b>weigh</b> 90:1 <b>weighable</b> 130:24 <b>weighs</b> 95:12 <b>weight</b> 88:11 <b>weighty</b> 66:2 <b>weinberg</b> 11:4 <b>weinberger</b> 44:15 45:3,24 74:17 <b>weiner</b> 11:5 <b>weintraub</b> 11:6 <b>weis</b> 11:7,8 <b>weiss</b> 11:9 <b>wells</b> 11:10 <b>wendy</b> 11:4 <b>went</b> 21:15 69:17 100:19 101:14,17 108:10 110:15 112:1,13 117:18 135:16 136:2 <b>west</b> 4:10 63:5 67:3,6,6,14,21,24 69:23 70:2,13,18 70:21 72:11 147:2 148:8 <b>western</b> 124:16 150:4 <b>we're</b> 81:13 <b>whatssoever</b> 45:22 77:6 <b>white</b> 1:14 <b>wide</b> 39:1 80:21 <b>widely</b> 96:9 129:22 <b>widespread</b> 27:12 <b>william</b> 9:18 11:6 78:17	
100:18 <b>vigilant</b> 40:10 <b>villeneuve</b> 71:8 <b>villnave</b> 10:25 <b>vincent</b> 4:17 <b>violate</b> 90:8 <b>violated</b> 38:13 <b>violates</b> 31:11 57:22 <b>violation</b> 111:21 116:16 117:21 148:15 <b>virginia</b> 63:5 67:6 67:7,14,21,21,24 70:2,18 147:2 <b>virginia's</b> 67:3 69:24 70:13,22 <b>vis</b> 50:23,23 <b>viscount</b> 98:3 <b>vision</b> 13:8 90:18 <b>voiced</b> 46:21 <b>voluntarily</b> 159:4 <b>voluntary</b> 158:1 158:12 <b>volunteered</b> 77:8 <b>vomsaal</b> 76:2,7 <b>vote</b> 28:1,2,4,20 28:23 29:1,11 30:1,2,3,6 50:21 52:5 53:7 58:1,3,4 58:17,17 61:9 75:13 93:23 126:3 <b>voted</b> 28:7,19,23 137:12 <b>votes</b> 24:9 28:14 28:14 29:8,22,22 103:24 <b>voting</b> 28:15,18 29:14 30:4 52:16 52:19 61:1,6,16	w.r.	39:22 55:10 59:7 68:18 69:1,7 69:17 <b>wagner</b> 11:1,2 <b>waiting</b> 165:6 <b>waiver</b> 17:11 62:17 <b>waivers</b> 152:5 <b>walk</b> 13:9 <b>walker</b> 1:25 <b>want</b> 14:8,9 17:18 18:6 21:2 40:21 47:12 53:9 86:19 96:14 100:25 144:5 165:3 <b>wanted</b> 12:19 61:9 76:14 83:6 91:6 156:17 <b>wants</b> 72:8 <b>wardwell</b> 3:3 <b>warning</b> 78:8 <b>warranted</b> 34:24 35:1 40:7 <b>washington</b> 3:19 66:9 67:20 158:19 <b>waste</b> 165:14 <b>watchdog</b> 46:4 <b>way</b> 13:7 16:23 29:25 42:3 58:4 73:8 76:16 79:16 82:12 93:11 101:2 106:13 113:7 128:2 135:24 159:19 162:14 163:2 164:25 <b>ways</b> 23:8 68:4,7 137:1 151:19 155:12 <b>we've</b> 158:8 <b>weaknesses</b> 94:25 105:10,25 146:12	

[williams - à]

Page 52

	<b>worried</b> 94:22 <b>worse</b> 80:23 <b>worth</b> 23:13 87:17 95:14,25 <b>wouldn't</b> 78:2 <b>woven</b> 99:11 <b>wr</b> 132:25 <b>wright</b> 71:9 <b>wrinkle</b> 46:21 <b>writer</b> 153:19 <b>writing</b> 24:14 <b>writings</b> 70:22 <b>written</b> 24:15 67:5 <b>wrong</b> 42:21 43:12 <b>wrongdoer</b> 73:2 <b>wrongful</b> 21:21 <b>wrote</b> 153:19	<b>zero</b> 67:24 <b>zoomgov</b> 2:2 <b>zylberberg</b> 11:13
		à
		à 50:23
		<b>x</b>
	<b>x</b> 1:4,10 86:20 <b>xi</b> 109:23 110:21 110:22,23	
		<b>y</b>
	<b>y</b> 88:17 <b>yeah</b> 162:24 163:11 <b>year</b> 102:2 103:10 145:21 <b>years</b> 22:22 61:10 74:4 149:9 165:12 <b>yesterday</b> 12:8 14:25 16:17,18 <b>york</b> 1:2 3:6,14,21 4:4,11 67:19 97:14 102:8 122:24	
		<b>z</b>
	<b>z</b> 10:11 <b>zabel</b> 11:12 <b>zale</b> 123:25	